



**SUEZ**  
*(incorporated with limited liability in the Republic of France) as Issuer*  
**€10,000,000,000 Euro Medium Term Note Programme**

Under the €10,000,000,000 Euro Medium Term Note Programme (the “**Programme**”) described in this Base Prospectus (the “**Base Prospectus**”), Suez (“**Suez**” or the “**Issuer**”), subject to compliance with all relevant laws, regulations and directives, may from time to time issue Euro Medium Term Notes (the “**Notes**”). The aggregate nominal amount of Notes outstanding will not at any time exceed €10,000,000,000 (or the equivalent in other currencies). Subject to compliance with all relevant laws, regulations and directives, Notes issued by Suez may be issued in euro, U.S. dollars, Japanese yen, Swiss francs, Sterling, Renminbi, Hong Kong dollars and in any other currency agreed between the Issuer and the relevant Dealers.

This Base Prospectus constitutes the base prospectus for the purposes of Article 5.4 of Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003, as amended (the “**Prospectus Directive**”) in respect of, and for the purposes of giving information with regard to, Suez and its fully consolidated subsidiaries taken as a whole (the “**Group**”) and the Notes which, according to the particular nature of the Issuer, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of Suez.

Application has been made for approval of this Base Prospectus to the *Autorité des marchés financiers* (the “**AMF**”) in France in its capacity as competent authority pursuant to Article 212-2 of its *Règlement Général* which implements the Prospectus Directive.

Application may be made to Euronext Paris for the period of twelve (12) months from the date of the approval by the AMF of this Base Prospectus, for Notes issued under the Programme to be admitted to trading on Euronext Paris and/or to the relevant authority of any other Member State of the European Economic Area (“**EEA**”) for Notes issued under the Programme to be admitted to trading on a Regulated Market in such Member State. Euronext Paris is a regulated market for the purposes of the Markets in Financial Instruments Directive 2014/65/EU, as amended, appearing on the list of regulated markets issued by the European Securities and Markets Authority (a “**Regulated Market**”).

The relevant final terms (the “**Final Terms**”) (a form of which is contained herein) in respect of the issue of any Notes will specify whether or not such Notes will be listed and admitted to trading and, if so, the relevant stock exchange. Notes listed on other stock exchanges (whether on a Regulated Market or not) or not listed and admitted to trading may be issued under the Programme.

Notes will be in such denomination(s) as may be specified in the relevant Final Terms, save that the minimum denomination of each Note listed and admitted to trading on a Regulated Market will be €100,000 and, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency at the issue date, or such higher amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant specified currency.

Notes may be issued either in dematerialised form (the “**Dematerialised Notes**”) or in materialised form (the “**Materialised Notes**”) as more fully described herein. Dematerialised Notes will at all times be in book entry form in compliance with Articles L.211-3 and R.211-1 of the French *Code monétaire et financier*. No physical documents of title will be issued in respect of the Dematerialised Notes.

Dematerialised Notes may, at the option of the Issuer, be in bearer dematerialised form (*au porteur*) inscribed as from the issue date in the books of Euroclear France (“**Euroclear France**”) which shall credit the accounts of Euroclear France Account Holders (as defined herein) including Euroclear Bank SA/NV (“**Euroclear**”) and the depositary bank for Clearstream Banking, SA (“**Clearstream**”) or in registered dematerialised form (*au nominatif*) and, in such latter case, at the option of the relevant holder of Notes (a “**Noteholder**”), in either fully registered form (*au nominatif pur*), in which case they will be inscribed in an account maintained by the Registration Agent acting on behalf of the Issuer, or in administered registered form (*au nominatif administré*) in which case they will be inscribed in the accounts of the Euroclear France Account Holders designated by the relevant Noteholders.

The senior unsecured Notes and short term Notes of the Issuer under this Programme have been assigned a rating of A3 and Prime 2 respectively by Moody’s Investors Service Ltd. (“**Moody’s**”). The long-term senior unsecured debt and the short-term senior unsecured debt of the Issuer are currently rated A3 with negative outlook and Prime 2 respectively by Moody’s. As of the date of this Base Prospectus, Moody’s is established in the European Union (“**EU**”) and is registered under Regulation (EC) No 1060/2009 on credit rating agencies (as amended) (the “**CRA Regulation**”) and is included in the list of credit rating agencies registered in accordance with the CRA Regulation published on the website of the European Securities and Markets Authority ([www.esma.europa.eu/supervision/credit-rating-agencies/risk](http://www.esma.europa.eu/supervision/credit-rating-agencies/risk)) in accordance with such regulation. Notes issued under the Programme may be rated or unrated. Notes which are rated will have such rating as is assigned to them by Moody’s or such other relevant rating organisation as specified in the Final Terms. The relevant Final Terms will specify whether or not such credit ratings are issued by a credit rating agency established in the European Union and registered under the CRA Regulation. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.

The final terms of the Notes will be determined at the time of the offering of each Tranche and will be set out in the relevant Final Terms.

Copies of the documents incorporated by reference herein can be obtained free of charge from the registered office of the Issuer and will also be published on the Issuer’s website ([www.suez.com](http://www.suez.com)) and on the AMF website ([www.amf-france.org](http://www.amf-france.org)).

*Prospective investors should have regard to the factors described under the section headed “Risk factors” in this Base Prospectus.*

*Arranger*  
**Deutsche Bank**

**Banco Bilbao Vizcaya Argentaria, S.A.**  
**BofA Merrill Lynch**  
**CM-CIC Market Solutions**  
**Deutsche Bank**  
**Mizuho Securities**  
**NatWest Markets**  
**Société Générale Corporate & Investment Banking**

*Dealers*  
**BARCLAYS**  
**CaixaBank**  
**Commerzbank**  
**HSBC**  
**MUFG**  
**RBC Capital Markets**

**BNP PARIBAS**  
**Citigroup**  
**Crédit Agricole CIB**  
**ING**  
**Natixis**  
**Santander Global Corporate Banking**  
**UniCredit Bank**

**This Base Prospectus should be read and construed in conjunction with any supplement that may be published from time to time and with all other documents incorporated by reference (see “Documents Incorporated by Reference”), each of which shall be incorporated in, and form part of this Base Prospectus in relation to any Series (as defined herein) of Notes, and should be read and construed together with the relevant Final Terms, the Base Prospectus and the Final Terms being together, the “Prospectus”.**

**No person has been authorised to give any information or to make any representation other than those contained in this Base Prospectus in connection with the issue or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or any of the Dealers or the Arranger (each as defined in “General Description of the Programme”). Neither the delivery of this Base Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer or those of the Group since the date hereof or the date upon which this Base Prospectus has been most recently supplemented or that there has been no adverse change in the financial position of the Issuer or that of the Group since the date hereof or the date upon which this Base Prospectus has been most recently supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.**

**The distribution of this Base Prospectus and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus comes are required by the Issuer, the Dealers and the Arranger to inform themselves about and to observe any such restriction.**

**PRIIPs / IMPORTANT – EEA RETAIL INVESTORS – If the Final Terms in respect of any Notes include a legend entitled “Prohibition of Sales to EEA Retail Investors”, the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the “EEA”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU, (as amended, “MiFID II”); or (ii) a customer within the meaning of Directive 2002/92/EC (as amended, “Insurance Mediation Directive”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the “PRIIPs Regulation”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.**

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

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

otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

For the avoidance of doubt, the Issuer is not an investment firm as defined by MiFID and will not be a manufacturer in respect of any Notes issued under the Programme.

**THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”) OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND INCLUDE NOTES IN BEARER FORM THAT ARE SUBJECT TO U.S. TAX LAW REQUIREMENTS. SUBJECT TO CERTAIN EXCEPTIONS, NOTES MAY NOT BE OFFERED, SOLD OR, IN THE CASE OF MATERIALISED NOTES IN BEARER FORM, DELIVERED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS. FOR A DESCRIPTION OF CERTAIN RESTRICTIONS ON OFFERS AND SALES OF NOTES AND ON DISTRIBUTION OF THIS BASE PROSPECTUS, SEE “SUBSCRIPTION AND SALE”.**

No action has been taken by the Issuer or the Dealers which would permit a public offering of any Notes or distribution of this Base Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Base Prospectus nor any Final Terms or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations and the Dealers have represented that all offers and sales by them will be made on the same terms. Persons into whose possession this Base Prospectus comes are required by the Issuer, the Dealers and the Arranger to inform themselves about and to observe any such restriction.

Neither this Base Prospectus nor any Final Terms constitutes an offer of, or an invitation by or on behalf of the Issuer, the Dealers or the Arranger to subscribe for, or purchase, any Notes.

The Arranger and the Dealers have not separately verified the information or representations contained or incorporated by reference in this Base Prospectus. None of the Dealers or the Arranger makes any representation, express or implied, or accepts any responsibility, with respect to the sincerity, accuracy or completeness of any of the information or representations in this Base Prospectus. Neither this Base Prospectus nor any other information incorporated by reference in this Base Prospectus is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Issuer, the Arranger or the Dealers that any recipient of this Base Prospectus or any Final Terms or any other information incorporated by reference should subscribe for or purchase the Notes. In making an investment decision regarding the Notes, prospective investors must rely on their own independent investigation and appraisal of the Issuer, its business and the terms of the offering, including the merits and risks involved. For further details, see “Risk Factors” herein. The contents of this Base Prospectus or any Final Terms are not to be construed as legal, business or tax advice. Each prospective investor should subscribe for or consult its own advisers as to legal, tax, financial, credit and related aspects of an investment in the Notes. None of the Dealers or the Arranger has reviewed or undertakes to review the financial condition or affairs of the Issuer or the Group during the life of the arrangements contemplated by this Base Prospectus nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Dealers or the Arranger.

The consolidated financial statements of the Issuer and the Group for the year ended 31 December 2017 and for the year ended 31 December 2016 have been prepared in accordance with International Financial Reporting Standards (“IFRS”) and endorsed by the European Union.

**In this Base Prospectus, unless otherwise specified or the context otherwise requires, references to “€”, “Euro”, “EUR” or “euro” are to the single currency of the participating member states of the European Economic and Monetary Union which was introduced on 1 January 1999, references to “£”, “pounds sterling”, “GBP” and “Sterling” are to the lawful currency of the United Kingdom, references to “\$”, “USD” and “U.S. Dollars” are to the lawful currency of the United States of America, references to “¥”, “JPY”, “Japanese yen” and “Yen” are to the lawful currency of Japan, references to “CHF” and “Swiss francs” are to the lawful currency of Switzerland, references to “Hong Kong dollars” and “HKD” are to the lawful currency for the time being of Hong Kong, and references to “RMB”, “CNY” or “Renminbi” are to the Chinese Yuan Renminbi, the lawful currency of the Peoples’s Republic of China, which for the purpose of this document excludes the Hong Kong Special Administrative Region of the Peoples’s Republic of China, the Macau Special Administrative Region of the Peoples’s Republic of China and Taiwan (the “PRC”).**

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## **RISK FACTORS**

*The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Notes issued under the Programme. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.*

*Factors which the Issuer believes may be material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.*

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

*For the purpose of this section headed “Risk factors”, the “**Group**” is defined as the Issuer and its subsidiaries.*

*The order in which the following risk factors are presented is not an indication of the likelihood of their occurrence.*

### **(A) Risk Factors relating to the Notes**

The following paragraphs describe some of the risk factors that are material to the Notes to be offered and/or admitted to trading in order to assess the market risk associated with these Notes. They do not describe all the risks of an investment in the Notes. Prospective investors should consult their own financial and legal advisers about risks associated with investment in a particular Series of Notes and the suitability of investing in the Notes in light of their particular circumstances.

Terms defined herein shall have the same meaning as in the Terms and Conditions of the Notes.

#### **1. General Risks relating to the Notes**

##### ***Independent Review and Advice***

Each prospective investor in the Notes must determine, based on its own independent review and such professional advice as it deems appropriate under the circumstances, that its acquisition of the Notes is fully consistent with its financial needs, objectives and condition, complies and is fully consistent with all investment policies, guidelines and restrictions applicable to it and is a fit, proper and suitable investment for it, notwithstanding the clear and substantial risks inherent in investing in or holding the Notes.

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

##### ***Potential Conflicts of Interest***

All or some of the Dealers and their affiliates have engaged, and/or may in the future engage, in investment banking, commercial banking and other financial advisory and commercial dealings with the Issuer and its affiliates and in relation to securities issued by any entity of the Group. They have

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

Certain of the Dealers or their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such positions could adversely affect future trading prices of Notes issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Each of the Issuer and the Dealers may from time to time be engaged in transactions involving an index or related derivatives which may affect the market price, liquidity or value of the Notes and which could be deemed to be adverse to the interests of the Noteholders.

Potential conflicts of interest may arise between the Calculation Agent, if any, for a Tranche of Notes and the Noteholders (including where a Dealer acts as a calculation agent), including with respect to certain discretionary determinations and judgments that such Calculation Agent may make pursuant to the Terms and Conditions of the Notes that may influence the amount receivable upon redemption of the Notes.

### ***Legality of Purchase***

Neither the Issuer, the Dealer(s) nor any of their respective affiliates has or assumes responsibility for the lawfulness of the acquisition of the Notes by a prospective investor in the Notes, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates (if different), or for compliance by that prospective investor with any law, regulation or regulatory policy applicable to it.

### ***Meetings of Noteholders, Modification and waivers***

The Terms and Conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally (but Noteholders will not be grouped in a *masse* having legal personality governed by the provisions of the French *Code de commerce* and will not be represented by a representative of the *masse*), including without limitation the modification of the Terms and Conditions of the Notes. These provisions permit in certain cases defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant General Meeting, Noteholders who voted in a manner contrary to the majority and Noteholders who did not respond to, or rejected, the relevant Written Resolution.

### ***Regulatory Restrictions***

Investors whose investment activities are subject to investment laws and regulations or to review or regulation by certain authorities may be subject to restrictions on investments in certain types of debt securities. Investors should review and consider such restrictions prior to investing in the Notes.

## ***Taxation***

Potential purchasers and sellers of the Notes should be aware that they may be required to pay taxes or documentary charges or duties in accordance with the laws and practices of the jurisdiction where the Notes are transferred or other jurisdictions. In some jurisdictions, no official statements of the tax authorities or court decisions may be available for financial instruments such as the Notes. Potential investors cannot rely upon the tax overview contained in this Base Prospectus but should ask for their own tax adviser's advice on their individual taxation with respect to the acquisition, holding, disposal and redemption of the Notes. Only these advisers are in a position to duly consider the specific situation of the potential investor. This investment consideration has to be read in connection with the taxation sections of this Base Prospectus.

## ***Financial Transaction Tax ("FTT")***

On 14 February 2013, the European Commission published a proposal (the "**Commission's Proposal**") for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**Participating Member States**"). In March 2016, Estonia indicated its withdrawal from the enhanced cooperation.

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances. The issuance and subscription of Notes should, however, be exempt.

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

However, the Commission's Proposal remains subject to negotiation between the Participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate and/or other Participating Member States may decide to withdraw. Prospective holders of Notes are advised to seek their own professional advice in relation to the FTT.

## ***Change of Law***

The Terms and Conditions of the Notes are based on French laws in effect as at the date of this Base Prospectus. No assurance can be given as to the impact of any possible judicial decision or change in French laws or administrative practice after the date of this Base Prospectus.

## ***Credit Risk***

An investment in the Notes involves taking credit risk on the Issuer. If the financial situation of the Issuer deteriorates, it may not be able to fulfil all or part of its payment obligations under the Notes, and investors may lose all or part of their investment.

## ***French Insolvency Law***

Under French insolvency law, in the case of the opening in France of an accelerated preservation (*procédure de sauvegarde accélérée*) or an accelerated financial preservation (*procédure de sauvegarde financière accélérée*) or a preservation (*procédure de sauvegarde*) or a judicial



reorganisation procedure (*procédure de redressement judiciaire*) of the Issuer all creditors of the Issuer (including Noteholders) must file their proof of claims with the creditors' representative or liquidator, as the case may be, within two months (or within four months in the case of creditors domiciled outside metropolitan France) of the publication of the opening of the procedure against the Issuer in the BODAC (*Bulletin officiel des annonces civiles et commerciales*). In addition, the Terms and Conditions of the Notes contain a provision allowing the Noteholders to appoint a nominee in the event of judicial reorganisation procedure or judicial liquidation (*liquidation judiciaire*) of the Issuer to represent their common interest and, failing such appointment, the judicial representative (*mandataire judiciaire*) will ask the court to appoint a representative of the Noteholders who will file the proof of Noteholders' claim.

Under French insolvency law, holders of debt securities are automatically grouped into a single assembly of holders (the “**Assembly**”) in case of the opening in France of an accelerated preservation or an accelerated financial preservation or a preservation or a judicial reorganisation procedure of the Issuer, in order to defend their common interests.

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

The Assembly deliberates on the proposed safeguard plan (*projet de plan de sauvegarde*), accelerated safeguard plan (*projet de plan de sauvegarde accélérée*), accelerated financial safeguard plan (*projet de plan de sauvegarde financière accélérée*) or judicial reorganisation plan (*projet de plan de redressement*) applicable to the Issuer and may further agree to:

- increase the liabilities (*charges*) of holders of debt securities (including the Noteholders) by rescheduling and/or writing-off debts;
- establish an unequal treatment between holders of debt securities (including the Noteholders) as appropriate under the circumstances; and/or
- decide to convert debt securities (including the Notes) into shares or securities that give or may give the right to the share capital.

Decisions of the Assembly will be taken by a two-third majority (calculated as a proportion of the debt securities held by the holders expressing a vote). No quorum is required on convocation of the Assembly.

For the avoidance of doubt, the provisions relating to the Representation of the Noteholders described in the Terms and Conditions of the Notes set out in this Base Prospectus and, if applicable, as completed by the applicable Final Terms will not be applicable in these circumstances.

### ***Liquidity Risks/Trading Market for the Notes***

The Notes may not have an established trading market when issued. There can be no assurance of a secondary market for the Notes or the continued liquidity of such market if one develops.

The development or continued liquidity of any secondary market for the Notes will be affected by a number of factors such as general economic conditions, the financial condition, the creditworthiness of the Issuer and/or the Group, and the value of any applicable reference rate, as well as other factors such as the complexity and volatility of the reference rate, the method of calculating the return to be paid in respect of such Notes, the time remaining to the maturity of the Notes, the outstanding amount of the Notes, any redemption features of the Notes, the performance of other instruments (e.g., commodities or securities) linked to the reference rates and the level, direction and volatility of interest rates generally. Such factors also will affect the market value of the Notes. In addition,

certain Notes may be designed for specific investment objectives or strategies and therefore may have a more limited secondary market and experience more price volatility than conventional debt securities.

Investors may not be able to sell Notes readily or at prices that will enable investors to realise their anticipated yield. No investor should purchase Notes unless the investor understands and is able to bear the risk that certain Notes will not be readily sellable, that the value of Notes will fluctuate over time and that such fluctuations will be significant.

### ***Exchange Rate Risks and Exchange Controls***

The principal of, or any return on, Notes may be payable in, or determined by reference to, one or more specified currencies (including exchange rates and swap indices between currencies or currency units). For investors whose financial activities are denominated principally in a currency or currency unit (the “**Investor’s Currency**”) other than the specified currency in which the related Notes are denominated, or where principal or return in respect of Notes is payable by reference to the value of one or more specified currencies other than by reference solely to the Investor’s Currency, an investment in such Notes entails significant risks that are not associated with a similar investment in a debt security denominated and payable in such Investor’s Currency. Such risks include, without limitation, the possibility of significant fluctuations in the rate of exchange between the applicable specified currency and the Investor’s Currency and the possibility of the imposition or modification of exchange controls by authorities with jurisdiction over such specified currency or the Investor’s Currency. Such risks generally depend on a number of factors, including financial, economic and political events over which the Issuer has no control.

Appreciation in the value of the Investor’s Currency relative to the value of the applicable specified currency would result in a decrease in the Investor’s Currency-equivalent yield on a Note denominated, or the principal of or return on which is payable, in such specified currency, in the Investor’s Currency-equivalent value of the principal of such Note payable at maturity (if any) and generally in the Investor’s Currency-equivalent market value of such Note. In addition, depending on the specific terms of a Note denominated in, or the payment of which is determined by reference to the value of, one or more specified currencies (other than solely the Investor’s Currency), fluctuations in exchange rates relating to any of the currencies or currency units involved could result in a decrease in the effective yield on such Note and, in certain circumstances, could result in a loss of all or a substantial portion of the principal of such Note to the investor.

Government and monetary authorities have imposed from time to time, and may in the future impose, exchange controls that could affect exchange rates, as well as the availability, of the specified currency in which a Note is payable at the time of payment of the principal or return in respect of such Note.

### ***Credit ratings may not reflect all risks***

One or more independent credit rating agencies may assign credit ratings to the Notes and the Issuer. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed in this section, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

### ***Market Value of the Notes***

The market value of the Notes will be affected by the creditworthiness of the Issuer and/or that of the Group and a number of additional factors, including, but not limited to, the volatility of market interest and yield rates and the time remaining to the maturity date.

The value of the Notes depends on a number of interrelated factors, including economic, financial and political events in France or elsewhere, including factors affecting capital markets generally and the stock exchanges on which the Notes are traded. The price at which a Noteholder will be able to sell the Notes prior to maturity may be at a discount, which could be substantial, from the issue price or the purchase price paid by such Noteholder.

## **2. Risks relating to the structure of a particular issue of Notes**

The Programme allows for different types of Notes to be issued. Accordingly, each Tranche of Notes may carry varying risks for potential investors depending on the specific features of such Notes such as, inter alia, the provisions for computation of periodic interest payments, if any, redemption and issue price.

### ***Optional Redemption***

The Issuer has the option, if so provided in the relevant Final Terms, to redeem the Notes, under a call option, in whole or in part, as provided in Condition 6(b), a make-whole call option, in whole or in part, as provided in Condition 6(c) or a clean-up call option, in whole but not in part, as provided in Condition 6(i). In addition, the Issuer may, and in certain circumstances shall, redeem the Notes in whole but not in part, further to the occurrence of certain withholding tax events described in Condition 6(g).

Any optional redemption feature where the Issuer is given the right to redeem the Notes early might negatively affect the market value of such Notes. During any period when the Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period. Furthermore, since the Issuer may be expected to redeem the Notes when prevailing interest rates are relatively low, an investor might not be able to reinvest the redemption proceeds at an effective interest rate as high as the return that would have been received on such Notes had they not been redeemed.

As a consequence, the yield received upon redemption may be lower than expected, and the redeemed face amount of the Notes may be lower than the purchase price for the Notes paid by the Noteholder. As a consequence, part of the capital invested by the Noteholder may be lost, so that the Noteholder in such case would not receive the total amount of the capital invested. In addition, investors that choose to reinvest monies they receive through an early redemption may be able to do so only in securities with a lower yield than the redeemed Notes.

In particular, with respect to the Clean-Up Call Option, there is no obligation under the Terms and Conditions of the Notes for the Issuer to inform investors if and when the Clean-Up Percentage (as specified in the relevant Final Terms) has been reached or is about to be reached, and the Issuer's right to redeem will exist notwithstanding that immediately prior to the serving of a notice in respect of the exercise of the Clean-Up Call Option, the Notes may have been trading significantly above par, thus potentially resulting in a loss of capital invested.

***The Make-Whole Redemption by the Issuer and the Redemption at the Option of the Issuer are exercisable in whole or in part and exercise of the Make-Whole Redemption by the Issuer or the Redemption at the Option of the Issuer in respect of certain Notes may affect the liquidity of the Notes in respect of which such option is not exercised.***

The Make-Whole Redemption by the Issuer provided in Condition 6(c) and the Redemption at the Option of the Issuer provided in Condition 6(b) are exercisable in whole or in part.

If the Issuer decides to redeem the Notes in part only, such partial redemption shall be effected by reducing the nominal amount of all such Notes in proportion to the aggregate nominal amount redeemed.

Depending on the proportion of the principal amount of all of the Notes so reduced, any trading market in respect of those Notes in respect of which such option is not exercised may become illiquid.

***Exercise of the Put Option in case of Change of Control in respect of certain Notes may affect the liquidity of the Notes of the same Series in respect of which such option is not exercised***

Depending on the number of Notes of the same Series in respect of which the Put Option in case of Change of Control provided in the relevant Final Terms is exercised, any trading market in respect of those Notes in respect of which such option is not exercised may become illiquid.

***Fixed Rate Notes***

Investment in Notes which bear interest at a fixed rate involves the risk that subsequent changes in market interest rates may adversely affect the value of the relevant Tranche of Notes.

***Floating Rate Notes***

Investment in Notes which bear interest at a floating rate comprise (i) a reference rate and (ii) a margin to be added or subtracted, as the case may be, from such base rate. Typically, the relevant margin will not change throughout the life of the Notes but there will be a periodic adjustment (as specified in the relevant Final Terms) of the reference rate (e.g., every three (3) months or six (6) months) which itself will change in accordance with general market conditions. Accordingly, the market value of floating rate Notes may be volatile if changes, particularly short term changes, to market interest rates evidenced by the relevant reference rate can only be reflected in the interest rate of these Notes upon the next periodic adjustment of the relevant reference rate.

***Investors will not be able to calculate in advance their rate of return on Floating Rate Notes***

A key difference between Floating Rate Notes and Fixed Rate Notes is that interest income on Floating Rate Notes cannot be anticipated. Due to varying interest income, investors are not able to determine a definite yield of Floating Rate Notes at the time they purchase them, so that their return on investment cannot be compared with that of investments having longer fixed interest periods. If the Terms and Conditions of the Notes provide for frequent interest payment dates, investors are exposed to the reinvestment risk if market interest rates decline. That is, investors may reinvest the interest income paid to them only at the relevant lower interest rates then prevailing. Should the reference rate be at any time negative, it could, notwithstanding the existence of the relevant margin, result in the actual floating rate, consisting in the reference rate and the relevant margin, be lower than the relevant margin, provided that in no event will the relevant interest amount be less than zero.

***Fixed/Floating Rate Notes***

The Fixed/Floating Rate Notes bear interest at a rate that, automatically or upon decision of the Issuer at a date specified in the Final Terms, can be converted from a fixed rate to a floating rate or from a floating rate to a fixed rate. The (automatic or optional) conversion may affect the secondary market and the market value of the Notes as it can lead to a reduction of the total borrowing costs. If a fixed rate is converted into a floating rate, the rate spread between the fixed rate and the floating rate may be less in favour than the rate spreads on comparable Floating Rate Notes that have the same reference rate. In addition, the new floating rate may be, at any time, lower than the interest

rates of other Notes. If a floating rate is converted into a fixed rate, the fixed rate may be lower than the rates applicable to these Notes.

***The reform and regulation of “benchmarks” may adversely affect the value of Notes linked to or referencing such “benchmarks”***

The purpose of Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds published in the Official Journal of the European Union on 29 June 2016 (the “**Benchmark Regulation**”) is to regulate the risk of manipulating the value of indices and to reduce the risk of conflicts of interests arising. It aims at improving the quality (integrity and accuracy) of the input data and the transparency of the methodologies used by administrators and at improving governance and controls of both administrators’ and contributors’ activities.

The Benchmark Regulation applies to “contributors”, “administrators” and “users” of “benchmarks” (including EURIBOR and LIBOR) in the EU, and will, among other things, (i) require benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and to comply with extensive requirements in relation to the administration of “benchmarks” (or, if non-EU-based, to be subject to equivalent requirements) and (ii) prevent certain uses by EU supervised entities of “benchmarks” of administrators that are not authorised/registered (or, if non-EU-based, deemed equivalent or recognised or endorsed). The scope of the Benchmark Regulation is wide and, in addition to so-called “critical benchmark” indices, applies to many interest rate and foreign exchange rate indices, equity indices and other indices (including “proprietary” indices or strategies) where used to determine the amount payable under or the value or performance of certain financial instruments traded on a trading venue or via a systematic internaliser, financial contracts and investment funds.

The Benchmark Regulation could have a material impact on any Notes traded on a trading venue or via a “systematic internaliser” linked to a “benchmark” index, including in any of the following circumstances:

- an index which is a “benchmark” could not be used by a supervised entity in certain ways if its administrator does not obtain authorisation or registration or, if based in a non-EU jurisdiction, the administrator is not recognised as equivalent or recognised or endorsed and the transitional provisions do not apply; and
- the methodology or other terms of the “benchmark” could be changed in order to comply with the terms of the Benchmark Regulation, and such changes could (amongst other things) have the effect of reducing or increasing the rate or level or affecting the volatility of the published rate or level of the benchmark.

Either of the above could potentially lead to the Notes being impacted depending on the particular “benchmark” and the applicable terms of the Notes or have adverse effects or unforeseen consequences.

More broadly, any of the international, national or other proposals for reform or the general increased regulatory scrutiny of “benchmarks” could increase the costs and risks of administering or otherwise participating in the setting of a “benchmark” and complying with any such regulations or requirements. Such factors may have the effect of discouraging market participants from continuing to administer or contribute to certain “benchmarks”, trigger changes in the rules or methodologies used in certain “benchmarks” or lead to the disappearance of certain “benchmarks”. Any of the above changes, or any other consequential changes as a result of international or national reforms or

other initiatives or investigations, could have a material adverse effect on the value of and return on any Notes linked to or referencing a "benchmark".

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the Benchmarks Regulation reforms in making any investment decision with respect to any Notes linked to or referencing a "benchmark".

***Future discontinuance of LIBOR may adversely affect the value of Floating Rate Notes which reference LIBOR***

On 27 July 2017, the UK Financial Conduct Authority announced that it will no longer persuade or compel banks to submit rates for the calculation of the LIBOR benchmark after 2021 (the "**FCA Announcement**"). The FCA Announcement indicates that the continuation of LIBOR on the current basis cannot and will not be guaranteed after 2021. It is not possible to predict whether, and to what extent, panel banks will continue to provide LIBOR submissions to the administrator of LIBOR going forwards. This may cause LIBOR to perform differently than it did in the past and may have other consequences which cannot be predicted.

Investors should be aware that, if LIBOR were discontinued or otherwise unavailable, the rate of interest on Floating Rate Notes which reference LIBOR or any other index linked to LIBOR will be determined for the relevant period by the fall-back provisions applicable to such Notes. Depending on the manner in which the LIBOR rate is to be determined under the Terms and Conditions, this may (i) if ISDA Determination or FBF Determination applies, be reliant upon the provision by reference banks of offered quotations for the LIBOR rate which, depending on market circumstances, may not be available at the relevant time or (ii) if Screen Rate Determination applies, result in the effective application of a fixed rate based on the rate which applied in the previous period when LIBOR was available. Any of the foregoing could have an adverse effect on the value or liquidity of, and return on, any Floating Rate Notes which reference LIBOR.

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

The market values of the Zero Coupon Notes, as well as other securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

***Inflation Linked Notes***

The Issuer may issue Notes with principal or interest determined by reference to the rate of inflation in France, in the European Monetary Union or in the United States of America ("**Inflation Linked Notes**"), where interest amounts and/or principal are dependent upon the performance of an inflation index, which will be one of (i) the consumer price index (excluding tobacco) for all households in France or the relevant substitute index (the "**CPI**"), as calculated and published monthly by the *Institut National de la Statistique et des Etudes Economiques* ("**INSEE**"), (ii) the harmonised index of consumer prices (excluding tobacco), or the relevant substitute index, measuring the rate of inflation in the European Monetary Union as calculated and published monthly by Eurostat (the "**HICP**") or (iii) the United States non-seasonally adjusted consumer price index for all urban consumers as reported monthly by the Bureau of Labor Statistics of the U.S. Department of Labor ("**BLS**") and published on Bloomberg page "CPURNSA" or any successor source ("**US CPI**") (each an "**Inflation Index**" and together, the "**Inflation Indices**"). If, at maturity, the level of the relevant Inflation Index is less than 1.00, the Notes will be redeemed at par.

Neither the current nor the historical levels of any of the Inflation Indices should be taken as an indication of future performance of such index during the term of any Inflation Linked Notes.

Inflation Linked Notes are not in any way sponsored, endorsed, sold or promoted by the INSEE, Eurostat or BLS, as the case may be, and the INSEE, Eurostat or BLS, as the case may be, makes no warranty or representation whatsoever, express or implied, either as to the results to be obtained from the use of any of the Inflation Indices and/or the figure at which such indices stand at any particular time. The Inflation Indices are determined, composed and calculated by the INSEE, Eurostat or BLS, as the case may be, without regard to the Issuer or the Notes. The INSEE, Eurostat or BLS, as the case may be, is not responsible for or has not participated in the determination of the timing of, prices of, or quantities of the Inflation Linked Notes to be issued or in the determination or calculation of the interest payable under such Notes.

None of the Issuer, the Dealer(s) or any of their respective affiliates makes any representation as to the Inflation Indices (as defined herein). Any of such persons may have acquired, or during the term of the Notes may acquire, non-public information with respect to any of the Inflation Indices that is or may be material in the context of Inflation Linked Notes. The issue of Inflation Linked Notes will not create any obligation on the part of any such persons to disclose to the holders of Notes or any other party such information (whether or not confidential).

#### ***Variable rate Notes***

Notes with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, caps or floors, or any combination of those features, their market values may be even more volatile than those for securities that do not include those features.

#### ***Notes indexed on CMS rates of two different maturities***

Investment in Notes which bear interest at a floating rate comprise (i) one or two (2) CMS reference rates, which may be added, subtracted or multiplied, and/or factored and (ii) a margin to be added or subtracted, as the case may be, from such base rate(s). If the combination formula of two (2) CMS reference rates on the relevant Interest Determination Date is equal to or less than zero, no interest payment would be due for the related Interest Period (*i.e.*, the interest rate for that relevant Interest Period would be equal to 0 per cent., unless otherwise specified in the relevant Final Terms and subject to any caps or floors provided herein). There will be a periodic adjustment (as specified in the relevant Final Terms) of the reference rates (e.g., every three months or six months). Accordingly, the market value of floating rate Notes may be volatile if changes to the reference rates can only be reflected in the interest rate of these Notes upon the next periodic adjustment of the relevant reference rate. The Notes are not a suitable investment for investors who require regular fixed income payments because the Interest Amounts are variable.

#### ***RMB Notes***

Notes denominated in RMB may be issued under the Programme. RMB Notes contain particular risks for potential investors, including the following:

*RMB is not completely freely convertible and there are still significant restrictions on the remittance of RMB into and outside the PRC and the liquidity of RMB Notes may be adversely affected*

RMB is not completely freely convertible at present. The PRC government continues to regulate conversion between RMB and foreign currencies, despite the significant reduction over the years by the PRC government of control over trade transactions involving import and export of goods and services as well as other frequent routine foreign exchange transactions under current accounts.

However, remittance of RMB by foreign investors into the PRC for the purposes of capital account items, such as capital contributions, is generally only permitted upon obtaining specific approvals from, or completing specific registrations or filings with, the relevant authorities on a case-by-case basis and is subject to a strict monitoring system. Regulations in the PRC on the remittance of RMB into the PRC for settlement of capital account items are developing gradually.

Although from 1 October 2016, the RMB has been added to the Special Drawing Rights basket created by the International Monetary Fund, there can be no assurance that the PRC government will continue to gradually liberalise control over cross-border RMB remittances in the future or that new PRC regulations will not be promulgated in the future which have the effect of restricting or eliminating the remittance of RMB into or outside the PRC. In the event that the Issuer is not able to repatriate funds outside the PRC in Renminbi, the Issuer will need to source Renminbi offshore to finance its obligations under the RMB Notes, and its ability to do so will be subject to the overall availability of Renminbi outside the PRC.

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

As a result of the restrictions imposed by the PRC government on cross border RMB fund flows, the availability of RMB outside the PRC is limited. While the People's Bank of China ("PBOC") has entered into agreements on the clearing of RMB business (the "**Settlement Agreements**") with financial institutions in a number of financial centres and cities (the "**RMB Clearing Banks**"), including but not limited to Hong Kong, and are in the process of establishing RMB clearing and settlement mechanisms in several other jurisdictions, the current size of RMB denominated financial assets outside of the PRC is limited.

RMB business participating banks do not have direct RMB liquidity support from the PBOC. The relevant RMB Clearing Bank only has access to onshore liquidity support from the PBOC for the purpose of squaring open positions of participating banks for limited types of transactions. The relevant RMB Clearing Bank is not obliged to square for participating banks any open positions resulting from other foreign exchange transactions or conversion services. In such case, the participating banks will need to source RMB from outside the PRC to square such open positions.

The offshore RMB market is subject to many constraints as a result of PRC laws and regulations on foreign exchange. There is no assurance that no new PRC regulations will be promulgated or the Settlement Agreements will not be terminated or amended so as to have the effect of restricting availability of RMB offshore. The limited availability of RMB outside the PRC may affect the liquidity of the RMB Notes.

*The Issuer may make payments of interest and principal in U.S. dollars or in euros in certain circumstances*

Although the primary obligation of the Issuer is to make all payments of interest and principal with respect to the RMB Notes in Renminbi, if the Issuer is not able, or it is impracticable for it, to satisfy its obligation to pay interest and principal on the RMB Notes as a result of Inconvertibility, Non-Transferability or Illiquidity (each as defined in the Conditions), the terms of such RMB Notes allow the Issuer to make such payment in U.S. dollars or in euros, as specified in the relevant Final Terms, at the prevailing spot rate of exchange, all as provided for in more detail in the Conditions. As a result, the value of such payments in Renminbi may vary with the prevailing exchange rates in the marketplace. If the value of the Renminbi depreciates against the U.S. dollar, or the euro, as the case may be, the value of a Noteholder's investment will decline.



### *RMB currency risk*

Except in limited circumstances, all payments of RMB under RMB Notes to an investor will be made solely by transfer to a RMB bank account maintained in Hong Kong by such investor in accordance with the prevailing rules and regulations and in accordance with the Terms and Conditions of the Notes. The Issuer cannot be required to make payment by any other means (including in bank notes or by transfer to a bank account in the PRC or anywhere else outside Hong Kong). RMB is not completely freely convertible at present, and conversion of RMB into other currencies is subject to certain restrictions. In particular, for personal investors, currently conversions of RMB conducted through RMB deposit accounts may be subject to a daily limit, and investors may have to allow time for conversion of RMB from/to another currency of an amount exceeding such daily limit.

In addition, there can be no assurance that access to RMB for the purposes of making payments under such Notes or generally may remain or will not become restricted. If it becomes impossible to convert RMB from/to another freely convertible currency, or transfer RMB between accounts in Hong Kong, or the general RMB exchange market in Hong Kong becomes illiquid, any payment of RMB under the Notes may be delayed or the Issuer may make such payments in another currency selected by the Issuer using an exchange rate determined by the Calculation Agent, or the Issuer may redeem the Notes by making payment in another currency.

### *RMB exchange rate risk*

The value of RMB against the Hong Kong dollar and other foreign currencies fluctuates and is affected by changes in the PRC and international political and economic conditions and by many other factors. In August 2015, the PBOC implemented changes to the way it calculates the midpoint against the U.S. Dollar to take into account market-maker quotes before announcing the daily midpoint. This change, among others that may be implemented, may increase the volatility in the value of the RMB against other currencies. The Issuer will make all RMB payments under RMB Notes in RMB (subject to the second (2<sup>nd</sup>) paragraph under the heading “*RMB currency risk*” above). As a result, the value of such payments in RMB (in Hong Kong dollars or other applicable foreign currency terms) may vary with the prevailing exchange rates in the marketplace. If the value of RMB depreciates against the Hong Kong dollar or other foreign currencies, the value of an investor's investment in Hong Kong dollars or other applicable foreign currency terms will decline.

### *RMB interest rate risk*

The PRC government has gradually liberalised the regulation of interest rates in recent years. Further liberalisation may increase interest rate volatility. The RMB Notes may carry a fixed interest rate. Where applicable, the value of RMB payments under RMB Notes may be susceptible to interest rate fluctuations.

Consequently, the trading price of such Notes will vary with fluctuations in RMB interest rates. If a Noteholder tries to sell such Notes before their maturity, such Noteholder may receive an offer that is less than his original investment.

## **(B) Risk Factors relating to the Issuer and the Group**

Risk factors linked to the Issuer and its activity are described on pages 12 to 25 of the 2017 Reference Document (as defined in “Documents Incorporated by Reference” below) of the Issuer for the financial year ended 31 December 2017 which was filed under n°D.18-0313 with the AMF on 10 April 2018 and which is incorporated by reference herein, and include the following:

- Risks related to the Group's business sector:

- A changing competitive environment;
- Group exposure to economic cycles;
- Group exposure to changes in consumption trends;
- Impact of climatic conditions on earnings from Group water operations;
- Change in the environmental, health and safety regulatory context;
- Difficulty to obtain or renew administrative authorizations required for certain of the Group's activities; and
- Risks linked to climate disruptions (business risks, operational risks and regulatory risks).
- Risks related to the Group's business activities:
  - Risks related to major projects;
  - Risks related to design and build activities;
  - Risks of dependency on certain suppliers;
  - Non-performance risks of long-term contracts;
  - Risks of unilateral cancellation, non-renewal or amendment of contracts with public authorities;
  - Risks related to external growth operations;
  - Risks related to a presence in certain countries;
  - Risks linked to partnerships;
  - Risks of civil and environmental liability;
  - Risks related to facilities management;
  - Specific risks related to operating high-risk sites ("Seveso" sites);
  - Risks related to human resources management;
  - Risks of labor conflicts;
  - Risks related to health, security and safety issues;
  - Risks of criminal or terrorist acts at Group sites;
  - Risks related to natural disasters or other major events for which the extent is difficult to predict;
  - Risks related to information systems;
  - Risks related to ethics breaches; and

- Risk related to the Group's transformation.
- Market risks (interest rate risk, currency risk, liquidity risk, counterparty risk, equity risk, Risks related to fluctuations in certain commodity and energy prices);
- Insurance risks;
- Legal risks;
- Tax-related risks; and
- Risks relating to the Company's shares.

## FORWARD-LOOKING STATEMENTS

This Base Prospectus contains certain statements that are forward-looking including statements with respect to the Issuer's business strategies, expansion and growth of operations, trends in its business, competitive advantage, and technological and regulatory changes, information on exchange rate risk and generally includes all statements preceded by, followed by or that include the words "**believe**", "**expect**", "**project**", "**anticipate**", "**seek**", "**estimate**" or similar expressions. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ materially from those in the forward-looking statements as a result of various factors. Potential investors are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date hereof. These forward looking statements do not constitute profit forecasts or estimates under Commission Regulation No (EC) 809/2004, as amended.

## GENERAL DESCRIPTION OF THE PROGRAMME

*This overview is a general description of the Programme and is qualified in its entirety by the remainder of this Base Prospectus and, in relation to the terms and conditions of any particular Tranche of Notes, the applicable Final Terms. The Notes will be issued on such terms as shall be agreed between the Issuer and the relevant Dealer(s) and will be subject to the Terms and Conditions of the Notes.*

<b>Issuer</b>	Suez
<b>Description</b>	Euro Medium Term Note Programme (the “ <b>Programme</b> ”).
<b>Arranger</b>	Deutsche Bank AG, Paris Branch
<b>Dealers</b>	<p>Banco Bilbao Vizcaya Argentaria, S.A.  Banco Santander, S.A.  Barclays Bank PLC  BNP Paribas  CaixaBank, S.A.  Citigroup Global Markets Limited  Crédit Industriel et Commercial S.A.  Commerzbank Aktiengesellschaft  Crédit Agricole Corporate and Investment Bank  Deutsche Bank AG, London Branch  HSBC Bank plc  ING Bank N.V., Belgian Branch  Merrill Lynch International  MUFG Securities EMEA plc  Mizuho International plc  Natixis  NatWest Markets Plc  RBC Europe Limited  Société Générale</p> <p>UniCredit Bank AG</p> <p>The Issuer may from time to time terminate the appointment of any dealer under the Programme or appoint additional dealers either in respect of one or more Tranches or in respect of the whole Programme. References in this Base Prospectus to “<b>Permanent Dealers</b>” are to the persons listed above as Dealers and to such additional persons that are appointed as dealers in respect of the whole Programme (and whose appointment has not been terminated) and references to “<b>Dealers</b>” are to all Permanent Dealers and all persons appointed as a dealer in respect of one or more Tranches. The identity of the Dealer(s) in respect of a specific Tranche will be disclosed in the relevant Final Terms.</p>
<b>Programme Limit</b>	Up to €10,000,000,000 (or the equivalent in other currencies at the date of issue) aggregate nominal amount of Notes outstanding at any one time.
<b>Fiscal Agent, Principal Agent, Redenomination Agent, Paying Agent,</b>	Société Générale Bank & Trust

**Consolidation Agent  
and Calculation Agent**

**Paying Agent and Registration Agent** Société Générale

**Method of Issue**

The Notes will be issued on a syndicated or non-syndicated basis. The Notes will be issued in series (each a “**Series**”) having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first payment of interest), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a “**Tranche**”) on the same or different issue dates. The specific terms of each Tranche will be set out in the final terms to this Base Prospectus (the “**Final Terms**”).

**Maturities**

Subject to compliance with all relevant laws, regulations and directives, any maturity from one (1) month from the date of original issue.

**Currencies**

Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in euro, U.S. dollars, Japanese yen, Swiss francs, Sterling, Renminbi, Hong Kong dollars and in any other currency agreed between the Issuer and the relevant Dealers.

**Denomination(s)**

Notes will be in such denomination(s) as may be specified in the relevant Final Terms, save that the minimum denomination of each Note listed and admitted to trading on a Regulated Market will be €100,000 (or if the Notes are denominated in a currency other than euro, the equivalent amount in such currency at the issue date) or such higher amount as may be allowed or required from time to time by the relevant monetary or financial authority or any laws or regulations applicable to the relevant Specified Currency.

Unless otherwise permitted by then current laws and regulations, Notes (including Notes denominated in Sterling) having a maturity of less than one (1) year from the date of issue and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of Section 19 of the Financial Services and Markets Act 2000, as amended (the “**FSMA**”) will have a minimum denomination of £100,000 (or its equivalent in other currencies).

**Form of Notes**

Notes may be issued either in dematerialised form (“**Dematerialised Notes**”) or in materialised form (“**Materialised Notes**”). Dematerialised Notes will not be exchangeable for Materialised Notes and Materialised Notes will not be exchangeable for Dematerialised Notes.

Dematerialised Notes may, at the option of the Issuer, be issued in bearer dematerialised form (*au porteur*) or in registered dematerialised form (*au nominatif*) and, in such latter case, at the option of the relevant Noteholder, in either fully registered (*au*

*nominatif pur*) or administered registered (*au nominatif administré*) form.

The relevant Final Terms will specify whether Dematerialised Notes issued by the Issuer are to be in bearer (*au porteur*) dematerialised form or in registered (*au nominatif*) dematerialised form.

No physical documents of title will be issued in respect of Dematerialised Notes.

Materialised Notes will be in bearer form (“**Materialised Bearer Notes**”) only. A Temporary Global Certificate will be issued initially in respect of each Tranche of Materialised Bearer Notes. Materialised Notes may only be issued outside France and the United States.

### **Conversion of Notes**

In the case of Dematerialised Notes, the Noteholders will not have the option to convert from registered (*au nominatif*) form to bearer (*au porteur*) dematerialised form and vice versa.

In the case of Dematerialised Notes issued in registered form (*au nominatif*), the Noteholders will have the option to convert from fully registered dematerialised form (*au nominatif pur*) to administered registered dematerialised form (*au nominatif administré*) and vice versa.

### **Status of the Notes**

The Notes will constitute unconditional, unsubordinated and (subject to the provisions of Condition 4) unsecured obligations of the Issuer and will rank *pari passu* without preference or priority among themselves and (save for certain obligations required to be preferred by French law) equally and rateably with all other present or future unsecured and unsubordinated obligations, indebtedness and guarantees of the Issuer.

### **Negative Pledge**

There will be a negative pledge in respect of the Notes as set out in Condition 4 – see “**Terms and Conditions of the Notes – Negative Pledge**”.

### **Event of Default (including cross-default)**

There will be events of default and a cross-default in respect of the Notes as set out in Condition 9 – see “**Terms and Conditions of the Notes – Events of Default**”.

### **Redemption Amount**

Unless previously redeemed or purchased and cancelled, each Note shall be finally redeemed on the Maturity Date at its nominal amount, unless otherwise specified in the Final Terms. Unless otherwise permitted by then current laws and regulations, Notes (including Notes denominated in Sterling) having a maturity of less than one (1) year from the date of issue and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of Section 19 of the FSMA must have a minimum redemption amount of £100,000 (or its equivalent in other currencies).

<b>Make-Whole Redemption by the Issuer</b>	If a Make-Whole Redemption by the Issuer is specified in the relevant Final Terms, in respect of any issue of Notes, the Issuer will have the option to redeem the Notes, in whole or in part, at any time or from time to time, prior to their Maturity Date at the Optional Redemption Amount.
<b>Clean-up Call Option</b>	If a Clean-up Call Option is specified in the relevant Final Terms, in respect of any issue of Notes, the Issuer will have the option to redeem the Notes if a portion of the initial aggregate nominal amount of Notes of the same Series at least equal to a percentage, specified in the relevant Final Terms as the Clean-Up Percentage, has been redeemed or purchased and, in each case, cancelled, the Issuer may redeem the Notes in whole but not in part at their Early Redemption Amount together with any interest accrued to the date set for redemption.
<b>Optional Redemption</b>	The Final Terms issued in respect of each issue of Notes will state whether such Notes may be redeemed prior to their stated maturity at the option of the Issuer (either in whole or in part) and/or the Noteholders.
<b>Early Redemption at the option of the Issuer</b>	Except as provided in “ <b>Optional Redemption</b> ”, “ <b>Clean-up Call Option</b> ” and “ <b>Make-Whole Redemption by the Issuer</b> ” above, Notes will be redeemable at the option of the Issuer prior to maturity only for tax reasons. See “ <b>Terms and Conditions of the Notes – Redemption, Purchase and Options</b> ”.
<b>Put Option in case of Change of Control</b>	The Final Terms issued in respect of each issue of Notes will state whether such Notes may be redeemed prior to their stated maturity, at the option of each Noteholder, further to a change of control of the Issuer, the rating of the Issuer is downgraded, as more fully described in Condition 6(1).
<b>Taxation</b>	<p>All payments of principal, interest and other assimilated revenues by or on behalf of the Issuer in respect of the Notes or Coupons shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by any jurisdiction or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law.</p> <p>If French law should require that payments of principal, interest or other assimilated revenues made by the Issuer in respect of any Note or Coupon be subject to withholding or deduction in respect of any present or future taxes, duties, assessments or governmental charges of whatever nature, the Issuer, will, to the fullest extent then permitted by law, pay such additional amounts as shall result in receipt by the Noteholders or, if applicable, the Couponholders, as the case may be, of such amounts as would have been received by them had no such withholding or deduction been required, subject to certain exceptions.</p>



See “**Terms and Conditions of the Notes – Taxation**” and “**Taxation**”.

**Interest Periods and Interest Rates**

The length of the interest periods for the Notes and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Series. Notes may have a maximum interest rate, a minimum interest rate, or both. Unless a higher minimum rate of interest is provided in the relevant Final Terms, the minimum rate of interest (which, for the avoidance of doubt, includes any applicable margin) shall be deemed to be 0.00 per cent. The use of interest accrual periods permits the Notes to bear interest at different rates in the same interest period. All such information will be set out in the relevant Final Terms.

**Fixed Rate Notes**

Fixed interest will be payable in arrear on the date or dates in each year specified in the relevant Final Terms.

**Floating Rate Notes**

Floating Rate Notes will bear interest determined separately for each Series as follows:

- (1) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions as published by the International Swaps and Derivatives Association, Inc.; or
- (2) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency pursuant to the June 2013 *Fédération Bancaire Française* Master Agreement relating to transactions on forward financial instruments; or
- (3) by reference to LIBOR, EURIBOR or CMS Rate combination formula, in each case as adjusted for any applicable margin.

Interest periods will be specified in the relevant Final Terms.

**Fixed/Floating Rate Notes**

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

**Zero Coupon Notes**

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

**Inflation Linked Notes**

Payments of principal in respect of redemption of Inflation Linked Notes or of interest in respect of Inflation Linked Notes will be calculated by reference to such index and/or formula provided in the Terms and Conditions of the Notes and as may be specified in the relevant Final Terms.

<b>Redenomination</b>	Notes issued in the currency of any Member State of the EU which will participate in the single currency of the European and Economic Monetary Union may be redenominated into euro, all as more fully provided in “ <b>Terms and Conditions of the Notes – Form, Denomination(s), Title and Redenomination of the Notes</b> ” below.
<b>Consolidation</b>	Notes of one Series may be consolidated with Notes of another Series as more fully provided in “ <b>Terms and Conditions of the Notes – Further Issues and Consolidation</b> ”.
<b>Governing Law</b>	The Notes are governed by French law.
<b>Rating</b>	<p>The senior unsecured Notes and short term Notes of the Issuer under this Programme have been assigned a rating of A3 and Prime 2 respectively by Moody’s Investors Service Ltd. (“<b>Moody’s</b>”). The long-term senior unsecured debt and the short-term senior unsecured debt of the Issuer are currently rated A3 with negative outlook and Prime 2 respectively by Moody’s. Moody’s is established in the European Union and is registered under Regulation (EC) No 1060/2009 on credit rating agencies (as amended) (the “<b>CRA Regulation</b>”) and is included in the list of credit rating agencies registered in accordance with the CRA Regulation published on the website of the European Securities and Markets Authority on its website (<a href="http://www.esma.europa.eu/supervision/credit-rating-agencies/risk">www.esma.europa.eu/supervision/credit-rating-agencies/risk</a>) in accordance with such regulation.</p> <p>Notes issued under the Programme may be rated or unrated. Notes which are rated will have such rating as is assigned to them by Moody’s or such other relevant rating organisation as specified in the Final Terms. The relevant Final Terms will specify whether or not such credit ratings are issued by a credit rating agency established in the European Union and registered under the CRA Regulation. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.</p>
<b>Depositaries/ Clearing Systems</b>	Euroclear France as central depositary in relation to Dematerialised Notes and Clearstream, Euroclear or any other clearing system that may be agreed between the Issuer, the Fiscal Agent and the relevant Dealer in relation to Materialised Notes. Transfers between Euroclear and Clearstream participants, on the one hand, and Euroclear France Account Holders, on the other hand, shall be effected directly or via their respective depositaries in accordance with applicable rules and operating procedures established for this purpose by Euroclear and Clearstream, on the one hand, and Euroclear France on the other hand.

<b>Initial Delivery of Dematerialised Notes</b>	One (1) Paris business day before the issue date of each Tranche of Dematerialised Notes, the <i>Lettre Comptable</i> relating to such Tranche shall be deposited with Euroclear France as central depository.
<b>Initial Delivery of Materialised Notes</b>	On or before the issue date for each Tranche of Materialised Bearer Notes, the Temporary Global Certificate issued in respect of such Tranche shall be deposited with a common depository for Euroclear and Clearstream or with any other clearing system or may be delivered outside any clearing system provided that the method of such delivery has been agreed in advance by the Issuer, the Fiscal Agent and the relevant Dealer.
<b>Issue Price</b>	Notes may be issued at their nominal amount or at a discount or premium to their nominal amount. The Issue Price of the Notes will be specified in the relevant Final Terms.
<b>Listing and Admission to trading</b>	Listing and Admission to trading on Euronext Paris, or as otherwise specified in the relevant Final Terms. A Series of Notes may be unlisted.
<b>Offer to the Public</b>	The Notes shall not be offered to the public in France and/or in any Member State of the European Economic Area.
<b>Selling Restrictions</b>	There are restrictions on the offers and sale of Notes and the distribution of offering material in various jurisdictions. See “ <b>Subscription and Sale</b> ”.

## DOCUMENTS ON DISPLAY

1. For the period of twelve (12) months following the date of approval of the Base Prospectus, the following documents will be available, during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted), for inspection and, in the case of documents listed under (2) to (9), collection free of charge, at the office of the Fiscal Agent and the Paying Agents:
  - (1) the constitutive documents (*statuts*) of Suez;
  - (2) the 2017 Reference Document (as defined in section “Documents incorporated by Reference”);
  - (3) the 2016 Reference Document (as defined in section “Documents incorporated by Reference”);
  - (4) each Final Terms for Notes that are admitted to trading on Euronext Paris or any other Regulated Market in the EEA or listed on any other stock exchange (save that Final Terms relating to Notes which are (i) neither listed and admitted to trading on a Regulated Market in the EEA in circumstances where a prospectus is required to be published under the Prospectus Directive (ii) nor listed on any other stock exchange, will only be available for inspection by a holder of such Notes and such holder must produce evidence satisfactory to the Issuer and the relevant Paying Agent as to its holding and identity);
  - (5) a copy of this Base Prospectus together with any supplement to this Base Prospectus or restated Base Prospectus and any document incorporated by reference;
  - (6) all reports, letters and other documents, balance sheets, valuations and statements by any expert, any part of which is extracted or referred to in this Base Prospectus in respect of each issue of Notes;
  - (7) a copy of the FBF Definitions;
  - (8) a copy of the ISDA Definitions; and
  - (9) any other documents incorporated by reference into this Base Prospectus.
2. For as long as any Notes are outstanding, a copy of this Base Prospectus together with any supplement to this Base Prospectus and any document incorporated by reference (a) may be obtained, free of charge, at the registered office of the Issuer during normal business hours and (b) will be available on the website [www.suez.com](http://www.suez.com).
3. For as long as Notes may be issued pursuant to this Base Prospectus, the following documents will be available, if relevant, on the website of the AMF ([www.amf-france.org](http://www.amf-france.org)):
  - (1) the Final Terms for Notes that are admitted to trading on Euronext Paris;
  - (2) this Base Prospectus together with any supplement to this Base Prospectus or further Base Prospectus;
  - (3) the 2017 Reference Document; and
  - (4) the 2016 Reference Document.

## DOCUMENTS INCORPORATED BY REFERENCE

This Base Prospectus should be read and construed in conjunction with the following:

- (1) the sections referred to in the table below included in the *Document de Référence* 2017 in French language<sup>1</sup>, of the Issuer which was filed under n° D.18-0313 with the AMF on 10 April 2018 and which includes, *inter alia*, the audited annual consolidated financial statements of the Issuer for the year ended 31 December 2017 and the related statutory auditors' report (the “**2017 Reference Document**”);
- (2) the sections referred to in the table below included in the *Document de Référence* 2016 in French language<sup>2</sup>, of the Issuer which was filed under n° D.17-0330 with the AMF on 5 April 2017 and which includes, *inter alia*, the audited annual consolidated financial statements of the Issuer for the year ended 31 December 2016 and the related statutory auditors' report (the “**2016 Reference Document**”);
- (3) the terms and conditions of the notes and the forms of final terms contained in the base prospectus of the Issuer dated, respectively, 25 March 2011 which received visa n°11-086 from the AMF on 25 March 2011 (the “**2011 EMTN Conditions and Form of Final Terms**”), 24 April 2012 which received visa n°12-182 from the AMF on 24 April 2012 (the “**2012 EMTN Conditions and Form of Final Terms**”), 22 May 2013 which received visa n°13-229 from the AMF on 22 May 2013 (the “**2013 EMTN Conditions and Form of Final Terms**”), 28 April 2014 which received visa n°14-164 from the AMF on 28 April 2014 (the “**2014 EMTN Conditions and Form of Final Terms**”), 29 April 2015 which received visa n°15-172 on 29 April 2015 (the “**2015 EMTN Conditions and Form of Final Terms**”), 29 April 2016 which received visa n°16-156 on 29 April 2016 (the “**2016 EMTN Conditions and Form of Final Terms**”) and 1 September 2017 which received visa n°17-454 on 1 September 2017 (the “**2017 EMTN Conditions and Form of Final Terms**”, and together with the 2011 EMTN Conditions, the 2012 EMTN Conditions, the 2013 EMTN Conditions, the 2014 EMTN Conditions, the 2015 EMTN Conditions and the 2016 EMTN Conditions, the “**EMTN Previous Conditions and Forms of Final Terms**”).

The information incorporated by reference that is not included in the cross-reference table below is considered as additional information and is not required by the relevant schedules of the Commission Regulation No. 809/2004, as amended.

Such documents shall be deemed to be incorporated by reference in, and form part of this Base Prospectus, save that any statement contained in this Base Prospectus or in a document which is incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Base Prospectus to the extent that a statement contained in any document which is subsequently incorporated by reference herein by way of a supplement prepared in accordance with Article 16 of the Prospectus Directive modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Base Prospectus.

This Base Prospectus and copies of the documents incorporated by reference in this Base Prospectus may be obtained in accordance with section “Documents on Display” of this Base Prospectus.

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<sup>1</sup> A free translation in the English language of the 2017 Reference Document has been published on, and may be obtained without charge, from the website of the Issuer ([www.suez.com](http://www.suez.com)). However, such translation is made for information purposes only, and only the French version is binding.

<sup>2</sup> A free translation in the English language of the 2016 Reference Document has been published on, and may be obtained without charge, from the website of the Issuer ([www.suez.com](http://www.suez.com)). However, such translation is made for information purposes only, and only the French version is binding.

For the purpose of the Prospectus Directive, information can be found in such documents incorporated by reference of this Base Prospectus in accordance with the following cross-reference tables:

<b>Annex IX of the European Regulation 809/2004 of 29 April 2004, as amended</b>		<b>2017 Reference Document</b>	<b>2016 Reference Document</b>
<b>1</b>	<b>Persons Responsible</b>		
1.1	All persons responsible for the information given in the Registration Document and, as the case may be, for certain parts of it, with, in the latter case, an indication of such parts. In the case of natural persons including members of the issuer's administrative, management or supervisory bodies indicate the name and function of the person; in case of legal persons indicate the name and registered office.	Page 5	Page 5
1.2	A declaration by those responsible for the registration document that, having taken all reasonable care to ensure that such is the case, the information contained in the registration document is, to the best of their knowledge, in accordance with the facts and contains no omission likely to affect its import. As the case may be, declaration by those responsible for certain parts of the registration document that, having taken all reasonable care to ensure that such is the case, the information contained in the part of the registration document for which they are responsible is, to the best of their knowledge, in accordance with the facts and contains no omission likely to affect its import.	Page 5	Page 5
<b>2</b>	<b>Statutory Auditors</b>		
2.1	Names and addresses of the issuer's auditors for the period covered by the historical financial information (together with their membership in a professional body).	Page 7	Page 7
<b>3</b>	<b>Risk Factors</b>		
3.1	Prominent disclosure of risk factors that may affect the issuer's ability to fulfil its obligations under the securities to investors in a section headed "Risk Factors".	Pages 12 to 25	Pages 12 to 27
<b>4</b>	<b>Information about the Issuer</b>		
4.1	History and development of the issuer:	Pages 38 and 39	Pages 38 and 39
4.1.1	the legal and commercial name of the issuer.	Page 38	Page 38
4.1.2	the place of registration of the issuer and its registration number.	Page 38	Page 38
4.1.3	the date of incorporation and the length of life of the	Page 38	Page 38

<b>Annex IX of the European Regulation 809/2004 of 29 April 2004, as amended</b>		<b>2017 Reference Document</b>	<b>2016 Reference Document</b>
	issuer, except where indefinite.		
4.1.4	the domicile and legal form of the issuer, the legislation under which the issuer operates, its country of incorporation, and the address and telephone number of its registered office (or principal place of business of different from its registered office.	Page 38	Page 38
4.1.5	any recent events particular to the issuer and which are to a material extent relevant to the evaluation of the issuer's solvency.	Pages 48, 49, 138 to 140, 156, 333, 363 and 370	Pages 50, 146 to 147, 164, 361, 388, 394
<b>5</b>	<b>Business Overview</b>		
<b>5.1</b>	<b>Principal activities:</b>		
<b>5.1.1</b>	A brief description of the issuer's principal activities stating the main categories of products sold and/or services performed	Pages 62 to 85	Pages 66 to 89
5.1.2	The basis for any statements in the registration document made by the issuer regarding its competitive position.	Pages 59 to 62	Pages 63 to 65
<b>6</b>	<b>Organisational Structure</b>		
6.1	If the issuer is part of a group, a brief description of the group and of the issuer's position within it.	Page 130	Page 136
6.2	If the issuer is dependent upon other entities within the group, this must be clearly stated together with an explanation of this dependence.	Page 131	Page 137
<b>9</b>	<b>Administrative, Management and Supervisory Bodies</b>		
9.1	Names, business addresses and functions in the issuer of the following persons, and an indication of the principal activities performed by them outside the issuer where these are significant with respect to that issuer:		
	members of the administrative, management or supervisory bodies;	Pages 174 to 195	Pages 182 to 203
	partners with unlimited liability, in the case of a limited partnership with a share capital.	N/A	N/A
9.2	<b>Administrative, Management, and Supervisory bodies conflicts of interests</b> Potential conflicts of interests between any duties to the issuing entity of the persons referred to in item 9.1 and their private interests and or other duties must be clearly stated. In the event that there are no such conflicts, a statement to that effect.	Pages 195 and 196	Page 203

<b>Annex IX of the European Regulation 809/2004 of 29 April 2004, as amended</b>		<b>2017 Reference Document</b>	<b>2016 Reference Document</b>
<b>10</b>	<b>Major Shareholders</b>		
10.1	To the extent known to the issuer, state whether the issuer is directly or indirectly owned or controlled and by whom and describe the nature of such control, and describe the measures in place to ensure that such control is not abused.	Pages 250 and 251	Pages 268 to 270
10.2	A description of any arrangements, known to the issuer, the operation of which may at a subsequent date result in a change in control of the issuer.	Page 251	Page 270
<b>11</b>	<b>Financial Information concerning the Issuer's Assets and Liabilities, Financial Position and Profits and Losses</b>		
11.1	<p><b>Historical Financial Information</b></p> <p>Audited historical financial information covering the latest two (2) financial years (or such shorter period that the issuer has been in operation), and the audit report in respect of each year. Such financial information must be prepared according to Regulation (EC) No 1606/2002, or if not applicable to a Member's State national accounting standards for issuers from the Community.</p> <p>The historical annual financial information must be independently audited or reported on as to whether or not, for the purposes of the registration document, it gives a true and fair view, in accordance with auditing standards applicable in a Member State or an equivalent standard.</p>		
	– Balance sheet:	Page 258	Page 276
	– Income statement:	Page 259	Page 277
	– Cash flow statement:	Page 263	Page 281
	– Accounting policies and explanatory notes:	Pages 265 to 336	Pages 283 to 364
	– Audit report:	Pages 337 to 342	Pages 365 to 366
11.2	<p><b>Financial statements</b></p> <p>If the issuer prepares both own and consolidated financial statements, include at least the consolidated financial statements in the registration document.</p>	Pages 258 to 336	Pages 276 to 364
11.3	<b>Auditing of historical annual financial information</b>		
11.3.1	A statement that the historical financial information has been audited. If audit reports on the historical financial information have been refused by the statutory auditors or if they contain qualifications or disclaimers, such refusal or such qualifications or disclaimers must be	Pages 337 to 342	Pages 365 to 366



<b>Annex IX of the European Regulation 809/2004 of 29 April 2004, as amended</b>		<b>2017 Reference Document</b>	<b>2016 Reference Document</b>
	reproduced in full and the reasons given.		
11.5	<p><b>Legal and arbitration proceedings</b></p> <p>Information on any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the issuer is aware), during a period covering at least the previous twelve (12) months which may have, or have had in the recent past, significant effects on the issuer and/or group's financial position or profitability, or provide an appropriate negative statement.</p>	Pages 369 and 370	Pages 393 and 394
<b>12</b>	<b>Material Contracts</b>		
	A brief summary of all material contracts that are not entered into in the ordinary course of the issuer's business, which could result in any group member being under an obligation or entitlement that is material to the issuer's ability to meet its obligation to security holders in respect of the securities being issued.	Page 381	Page 409

The EMTN Previous Conditions and Forms of Final Terms are incorporated by reference in this Base Prospectus for the purpose only of further issues of Notes to be assimilated (*assimilées*) and form a single series with notes already issued pursuant to the relevant EMTN Previous Conditions and Forms of Final Terms.

<b>EMTN Previous Conditions and Forms of Final Terms</b>	
2011 EMTN Conditions and Form of Final Terms	Pages 43 to 76 and 97 to 113
2012 EMTN Conditions and Form of Final Terms	Pages 48 to 82 and 110 to 127
2013 EMTN Conditions and Form of Final Terms	Pages 33 to 75 and 109 to 122
2014 EMTN Conditions and Form of Final Terms	Pages 32 to 75 and 101 to 115
2015 EMTN Conditions and Form of Final Terms	Pages 31 to 74 and 98 to 111
2016 EMTN Conditions and Form of Final Terms	Pages 31 to 74 and 96 to 109
2017 EMTN Conditions and Form of Final Terms	Pages 35 to 77 and 93 to 107

## **SUPPLEMENT TO THE BASE PROSPECTUS**

If at any time the Issuer is required to prepare a supplement to this Base Prospectus pursuant to the provisions of Article 16 of the Prospectus Directive and any legislation in any Member State of the EEA that implements the Prospectus Directive and subordinate legislation thereto, the Issuer will prepare and make available an appropriate supplement to this Base Prospectus or a restated Base Prospectus, which in respect of any subsequent issue of Notes shall amend or supplement this Base Prospectus.

## TERMS AND CONDITIONS OF THE NOTES

*The following is the text of the terms and conditions that, subject to completion in accordance with the provisions of the relevant Final Terms and excepting sentences in italics, shall be applicable to the Notes. In the case of Dematerialised Notes, the text of the terms and conditions will not be endorsed on physical documents of title but will be constituted by the following text as completed by the relevant Final Terms. In the case of Materialised Notes, either (i) the full text of these terms and conditions together with the relevant provisions of the Final Terms or (ii) these terms and conditions as so completed (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on Definitive Materialised Bearer Notes. All capitalised terms that are not defined in these Conditions will have the meanings given to them in the relevant Final Terms. References in the Conditions to “Notes” are to the Notes of one Series only, not to all Notes that may be issued under the Programme.*

An amended and restated agency agreement (as amended or supplemented from time to time, the “**Agency Agreement**”) dated 1 June 2018 has been agreed between Suez (the “**Issuer**”), Société Générale Bank & Trust as fiscal agent, principal paying agent, redenomination agent, consolidation and calculation agent and Société Générale as paying agent and registration agent.

The fiscal agent, the paying agents, the redenomination agent, the consolidation agent and the calculation agent(s) for the time being (if any) are referred to below respectively as the “**Fiscal Agent**”, the “**Paying Agents**” (which expression shall include the Fiscal Agent), the “**Registration Agent**”, the “**Redenomination Agent**”, the “**Consolidation Agent**” and the “**Calculation Agent(s)**”.

The holders of Dematerialised Notes and Materialised Notes, the holders of the interest coupons (the “**Coupons**”) relating to interest bearing Materialised Notes and, where applicable in the case of such Notes, talons (the “**Talons**”) for further Coupons (the “**Couponholders**”) are deemed to have notice of all of the provisions of the Agency Agreement.

For the purpose of these Terms and Conditions:

- “**Regulated Market**” means any regulated market situated in a Member State of the European Economic Area (“**EEA**”) as defined in the Markets in Financial Instruments Directive 2014/65/EU, as amended;
- “**day**” means a calendar day.

References below to “**Conditions**” are, unless the context requires otherwise, to the numbered paragraphs below.

### 1. FORM, DENOMINATION(S), TITLE AND REDENOMINATION OF THE NOTES

- (a) **Form of Notes:** Notes may be issued by the Issuer either in dematerialised form (“**Dematerialised Notes**”) or in materialised form (“**Materialised Notes**”).
  - (i) Dematerialised Notes are issued, as specified in the relevant Final Terms (the “**Final Terms**”), in (x) bearer dematerialised form (*au porteur*) only, in which case they are inscribed in the books of Euroclear France (acting as central depository) which credits the accounts of Euroclear France Account Holders (as defined below), (y) in registered dematerialised form (*au nominatif*) only and, in such case, at the option of the relevant Noteholder, in administered registered dematerialised form (*au nominatif administré*) in which case they will be inscribed in the accounts of the Euroclear France Account Holders designated by the relevant Noteholders or in fully registered dematerialised form (*au*

*nominatif pur*) inscribed in an account in the books of Euroclear France maintained by the Registration Agent acting on behalf of the Issuer.

Unless this possibility is expressly excluded in the relevant Final Terms, according to Article L. 228-2 of the French *Code de commerce*, the Issuer may at any time request from the central depository identification information of holders of Dematerialised Notes in bearer form (*au porteur*) such as the name or the company name, nationality, date of birth or year of incorporation and mail address or, as the case may be, email address of such holders.

For the purpose of these Conditions, “**Euroclear France Account Holder**” means any financial intermediary institution entitled to hold directly or indirectly accounts on behalf of its customers with Euroclear France, and includes the depository bank for Clearstream Banking, SA (“**Clearstream**”) and Euroclear Bank SA/NV (“**Euroclear**”).

- (ii) Materialised Notes are issued in bearer form (“**Materialised Bearer Notes**”). Materialised Bearer Notes are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero Coupon Notes in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable.

*In accordance with Articles L.211-3 and R. 211-1 of the French Code monétaire et financier, securities (such as the Notes) which are governed by French law and are in materialised form must be issued outside the French territory.*

- (b) **Denomination(s):** Notes shall be issued in the specified denomination(s) as set out in the relevant Final Terms save that the minimum denomination of each Note listed and admitted to trading on a Regulated Market will be €100,000, and if the Notes are denominated in a currency other than euro, the equivalent amount in each such currency at the issue date (the “**Specified Denomination(s)**”) or such higher amount as may be allowed or required from time to time by the relevant monetary or financial authority or any applicable laws or regulations. Dematerialised Notes shall be issued in one Specified Denomination only.

(c) **Title:**

- (i) Title to Dematerialised Notes will be evidenced in accordance with Articles L.211-3 and R.211-1 of the French *Code monétaire et financier* by book entries (*inscriptions en compte*). No physical document of title (including *certificats représentatifs* pursuant to Article R.211-7 of the French *Code monétaire et financier*) will be issued in respect of the Dematerialised Notes. Title to Dematerialised Notes issued in bearer form (*au porteur*) and in administered registered form (*au nominatif administré*) shall pass upon, and transfer of such Notes may only be effected through, registration of the transfer in the accounts of Euroclear France Account Holders. Title to Dematerialised Notes issued in fully registered form (*au nominatif pur*) shall pass upon, and transfer of such Notes may only be effected through, registration of the transfer in the accounts of the Issuer or the Registration Agent.
- (ii) Title to Materialised Bearer Notes in definitive form having, where appropriate, Coupons and/or a Talon attached thereto on issue (“**Definitive Materialised Bearer Notes**”), shall pass by delivery.
- (iii) Except as ordered by a court of competent jurisdiction or as required by law, the holder of any Note (as defined below), 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 an interest in it, any writing on it or its theft or loss and no person shall be liable for so treating the holder.

- (iv) In these Conditions, “**holder of Notes**” or “**holder of any Note**” or “**Noteholder**” means (i) in the case of Dematerialised Notes, the person whose name appears in the account of the relevant Euroclear France Account Holder or the Issuer or the Registration Agent (as the case may be) as being entitled to such Notes; (ii) in the case of Definitive Materialised Notes, the bearer of any Definitive Materialised Bearer Note and the Coupons, or Talon relating to it, and (iii) in the case of Materialised Notes in respect of which a Temporary Global Certificate has been issued and is outstanding, each person (other than a clearing institution) who appears as a holder of such Notes or of a particular nominal amount of interests in such Notes, in accordance with the applicable laws and regulations and with the applicable rules and procedures of any relevant clearing institution including, without limitation, Euroclear France, Euroclear or Clearstream, as appropriate; and capitalised terms have the meanings given to them in the relevant Final Terms, the absence of any such meaning indicating that such term is not applicable to the Notes.

**(d) Redenomination**

- (i) The Issuer may (if so specified in the relevant Final Terms), on any Interest Payment Date, without the consent of the holder of any Note, Coupon or Talon, by giving at least thirty (30) days’ notice in accordance with Condition 15 and on or after the date on which the European Member State in whose national currency the Notes are denominated has become a participating Member State in the single currency of the European Economic and Monetary Union (as provided in the Treaty on the Functioning of the European Union, as amended from time to time (the “**Treaty**”)) or events have occurred which have substantially the same effects (in either case, “**EMU**”), redenominate all, but not some only, of the Notes of any Series into Euro and adjust the aggregate principal amount and the Specified Denomination(s) set out in the relevant Final Terms accordingly, as described below. The date on which such redenomination becomes effective shall be referred to in these Conditions as the “**Redenomination Date**”.
- (ii) The redenomination of the Notes pursuant to Condition 1(d)(i) shall be made by converting the principal amount of each Note from the relevant national currency into Euro using the fixed relevant national currency Euro conversion rate established by the Council of the European Union pursuant to Article 123 (4) of the Treaty and rounding the resultant figure to the nearest Euro 0.01 (with Euro 0.005 being rounded upwards). If the Issuer so elects, the figure resulting from conversion of the principal amount of each Note using the fixed relevant national currency Euro conversion rate shall be rounded down to the nearest euro. The Euro denominations of the Notes so determined shall be notified to Noteholders in accordance with Condition 15. Any balance remaining from the redenomination with a denomination higher than Euro 0.01 shall be paid by way of cash adjustment rounded to the nearest Euro 0.01 (with Euro 0.005 being rounded upwards). Such cash adjustment will be payable in Euro on the Redenomination Date in the manner notified to Noteholders by the Issuer.
- (iii) Upon redenomination of the Notes, any reference in the relevant Final Terms to the relevant national currency shall be construed as a reference to euro.
- (iv) The Issuer may, with the prior approval of the Redenomination Agent and the Consolidation Agent, in connection with any redenomination pursuant to this Condition or any consolidation pursuant to Condition 14, without the consent of the holder of any Note, Coupon or Talon, make any changes or additions to these Conditions or Condition 14 (including, without limitation, any change to any applicable business day definition, business day convention, principal financial centre of the country of the relevant Specified Currency, interest accrual basis or benchmark), taking into account market practice in

respect of redenominated euromarket debt obligations and which it believes are not prejudicial to the interests of such holders. Any such changes or additions shall, in the absence of manifest error, be binding on the holders of Notes, Coupons and Talons and shall be notified to Noteholders in accordance with Condition 15 as soon as practicable thereafter.

- (v) Neither the Issuer nor any Paying Agent shall be liable to the holder of any Note, Coupon or Talon or other person for any commissions, costs, losses or expenses in relation to or resulting from the credit or transfer of Euro or any currency conversion or rounding effected in connection therewith.

**(e) Method of issue**

The Notes will be issued in series (each a “**Series**”) having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first payment of interest), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a “**Tranche**”) on the same or different issue dates. The specific terms of each Tranche (which, save in respect of the issue date, issue price, first payment of interest and nominal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be set out in the relevant Final Terms.

**2. CONVERSION AND EXCHANGES OF NOTES**

**(a) Dematerialised Notes**

- (i) Dematerialised Notes issued in bearer dematerialised form (*au porteur*) may not be converted into Dematerialised Notes in registered dematerialised form, whether in fully registered form (*au nominatif pur*) or in administered registered form (*au nominatif administré*).
- (ii) Dematerialised Notes initially issued in registered form (*au nominatif*) only may not be converted into Dematerialised Notes in bearer dematerialised form (*au porteur*).
- (iii) Dematerialised Notes issued in fully registered dematerialised form (*au nominatif pur*) may, at the option of the Noteholder, be converted into Notes in administered registered dematerialised form (*au nominatif administré*), and vice versa. The exercise of any such option by such Noteholder shall be made in accordance with Article R.211-4 of the French *Code monétaire et financier*. Any such conversion shall be effected at the cost of such Noteholder.

**(b) Materialised Bearer Notes**

Materialised Bearer Notes of one Specified Denomination may not be exchanged for Materialised Bearer Notes of another Specified Denomination.

**(c) Dematerialised Notes not exchangeable for Materialised Bearer Notes and vice versa**

Dematerialised Notes may not be exchanged for Materialised Notes and Materialised Notes may not be exchanged for Dematerialised Notes.

**3. STATUS OF NOTES**

The principal and interest on the Notes are unconditional, unsubordinated and (subject to the provisions of Condition 4) unsecured obligations of the Issuer and rank and will rank *pari passu* without preference or priority among themselves and (save for certain obligations required to be

preferred by French law) equally and rateably with all other present or future unsecured and unsubordinated indebtedness, obligations and guarantees of the Issuer.

#### 4. NEGATIVE PLEDGE

So long as any of the Notes or, if applicable, any Coupons relating to them, remains outstanding, the Issuer shall not, and shall ensure that none of its Material Subsidiaries (as defined below) will grant any mortgage, charge, lien (other than a lien arising by operation of law), pledge or other security interest (*surêté réelle*) (each a “**Security Interest**”) upon the whole or any part of their respective present or future undertaking, assets or revenues to secure any Relevant Indebtedness (as defined below) unless any such operation falls within the definition of Permitted Security Interest (as defined below), unless the Issuer, before or at the same time, takes any and all action necessary to ensure that (i) its obligations under the Notes are secured equally and rateably with the Relevant Indebtedness or (ii) such other Security Interest or other arrangement is provided as is approved by the Noteholders whose approval may be given at a General Meeting or through a Written Resolution in each case in accordance with Condition 11.

For the purposes of these Conditions:

“**EBITDA**” means consolidated current operating income adjusted by adding back:

- (i) depreciation, amortisation and provisions;
- (ii) share-based payments (as defined in IFRS 2); and
- (iii) net disbursements under concession contracts;

“**Material Subsidiaries**” means at any relevant time;

- (i) Suez Groupe; and
- (ii) any Subsidiary of the Issuer whose (a) EBITDA attributable to the Issuer represents not less than twenty (20) per cent. of the EBITDA of the Issuer, and/or (b) turnover (or, where the Subsidiary in question prepares consolidated accounts whose consolidated turnover) attributable to the Issuer represents not less than twenty (20) per cent. of the consolidated turnover of the Issuer, all as calculated by reference to the then latest audited accounts (or consolidated accounts, as the case may be) of such Subsidiary and the then latest audited consolidated accounts of the Issuer and its consolidated subsidiaries;

“**outstanding**” means, in relation to the Notes of any Series, all the Notes issued other than (a) those that have been redeemed in accordance with the Conditions, (b) those in respect of which the date for redemption has occurred and the redemption moneys (including all interest accrued on such Notes to the date for such redemption and any interest payable after such date) have been duly paid (i) in the case of Dematerialised Notes in bearer form and in administered registered form, to the relevant Euroclear France Account Holders on behalf of the Noteholder as provided in Condition 7(a), (ii) in the case of Dematerialised Notes in fully registered form, to the account of the Noteholder as provided in Condition 7(a) and (iii) in the case of Materialised Notes, to the Paying Agent as provided in Conditions 7(b) and 7(c) and remain available for payment against presentation and surrender of Materialised Bearer Notes and/or Coupons, as the case may be, (c) those which have become void or in respect of which claims have become prescribed, (d) those which have been purchased and cancelled as provided in the Conditions, (e) in the case of Materialised Notes (i) those mutilated or defaced Materialised Bearer Notes that have been surrendered in exchange for replacement Materialised Bearer Notes, (ii) (for the purpose only of determining how many such Materialised Bearer Notes are outstanding and without prejudice to their status for any other

purpose) those Materialised Bearer Notes alleged to have been lost, stolen or destroyed and in respect of which replacement Materialised Bearer Notes have been issued and (iii) any Temporary Global Certificate to the extent that it shall have been exchanged for one or more Definitive Materialised Bearer Notes, pursuant to its provisions; *provided that*, for the purposes of ascertaining the right to (x) attend and vote at any meeting of Noteholders and (y) to approve any Written Resolution, those Notes that are beneficially held by, or are held on behalf of, the Issuer or any of its subsidiaries and not cancelled shall (unless and until ceasing to be so held) be deemed not to be outstanding;

“**Permitted Security Interest**” means a Security Interest granted by the Issuer or any of its Material Subsidiaries to secure any Relevant Indebtedness, where such Relevant Indebtedness is incurred for the purpose of, and the proceeds thereof are used in, (i) the purchase of an asset and such security is provided over or in respect of such asset or (ii) the refinancing of any indebtedness incurred for the purpose of (i) above, provided that the security is provided over or in respect of the same asset;

“**Relevant Indebtedness**” means (i) any present or future indebtedness for borrowed money which is represented by any notes, bonds, or debt securities which are for the time being, or capable of being, quoted, listed or ordinarily dealt in on any stock exchange and (ii) any guarantee or indemnity of any such indebtedness; and

“**Subsidiary**” means a subsidiary (*filiale*) within the meaning of Article L.233-1 of the French *Code de commerce*.

## 5. INTEREST AND OTHER CALCULATIONS

- (a) **Definitions:** In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below. Certain defined terms contained in the June 2013 FBF Master Agreement relating to transactions on forward financial instruments as supplemented by the Technical Schedules (*Additifs Techniques*) published by the *Fédération Bancaire Française* (“**FBF**”) (together the “**FBF Master Agreement**”) and in the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. and as amended and updated as of the Issue Date of the first Tranche of the relevant Series (“**ISDA**”), have either been used or reproduced in this Condition 5:

“**Business Day**” means:

- (i) in the case of Notes denominated in euro, a day on which the Trans European Automated Real Time Gross Settlement Express Transfer (known as TARGET2) system or any successor thereto (the “**TARGET System**”) is operating (a “**TARGET Business Day**”) and/or
- (ii) in relation to any sum payable in Renminbi, a day on which commercial banks and foreign exchange markets settle payments in Renminbi in Hong Kong and in the relevant Business Centre(s) (if any) and/or
- (iii) in the case of Notes denominated in a specified currency other than euro and Renminbi, a day which is a TARGET Business Day and a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for that currency and/or
- (iv) in the case of Notes denominated in a specified currency and/or one or more Business Centre(s) specified in the relevant Final Terms (the “**Business Centre(s)**”) a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle



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

“**CMS Rate**” shall mean the applicable swap rate for swap transactions in the Reference Currency with a maturity of the Designated Maturity, expressed as a percentage, which appears on the Relevant Screen Page as at the Specified Time on the Interest Determination Date in question, all as determined by the Calculation Agent.

“**CMS Reference Banks**” means (i) where the Reference Currency is Euro, the principal office of five leading swap dealers in the inter-bank market, (ii) where the Reference Currency is Sterling, the principal London office of five leading swap dealers in the London inter-bank market, (iii) where the Reference Currency is U.S. Dollars, the principal New York City office of five leading swap dealers in the New York City inter-bank market, or (iv) in the case of any other Reference Currency, the principal Relevant Financial Centre office of five leading swap dealers in the Relevant Financial Centre inter-bank market, in each case selected by the Calculation Agent.

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

- (i) if “**Actual/365 — FBF**” is specified in the relevant Final Terms, the fraction whose numerator is the actual number of days elapsed during the Calculation Period and whose denominator is 365. If part of that Calculation Period falls in a leap year, Actual /365 — FBF shall mean the sum of (i) the fraction whose numerator is the actual number of days elapsed during the non-leap year and whose denominator is 365 and (ii) the fraction whose numerator is the number of actual days elapsed during the leap year and whose denominator is 366;
- (ii) if “**Actual/365**” or “**Actual/Actual – ISDA**” is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (iii) if “**Actual/Actual-ICMA**” is specified in the relevant Final Terms:
  - (A) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and
  - (B) if the Calculation Period is longer than one Determination Period, the sum of:
    - the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and
    - the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year;

in each case where

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

“**Determination Date**” means the date specified as such in the relevant Final Terms or, if none is so specified, the Interest Payment Date

- (iv) if “**Actual/365 (Fixed)**” is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 365;
- (v) if “**Actual/360**” is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 360;
- (vi) if “**30/360**”, “**360/360**” or “**Bond Basis**” is specified in the relevant Final Terms, the number of days in the Calculation Period divided by 360 calculated on a formula basis as follows:

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

where:

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

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

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

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

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

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

and

- (vii) if “**30E/360**” or “**Eurobond Basis**” is specified in the relevant Final Terms, the number of days in the Calculation Period divided by 360 calculated on a formula basis as follows:

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

where:

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

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

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

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

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

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

- (viii) if “**30E/360 (ISDA)**” is specified in the relevant Final Terms, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

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

where:

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

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

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

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

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

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

“**Designated Maturity**”, “**Margin**”, “**Specified Time**”, “**Relevant Currency**” and “**Relevant Screen Page**” shall have the meaning given to those terms in the applicable Final Terms.

“**Euro-zone**” means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty.

“**FBF Definitions**” means the definitions set out in the FBF Master Agreement, as may be supplemented or amended as at the Issue Date.

“**Interest Accrual Period**” means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each

successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date.

“**Interest Amount**” means the amount of interest payable for a particular period, and in the case of Fixed Rate Notes, means the Fixed Coupon Amount or Broken Amount, as the case may be.

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

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

“**Interest Payment Date**” means the date(s) specified in the relevant Final Terms.

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

“**Interest Period Date**” means each Interest Payment Date unless otherwise specified in the relevant Final Terms.

“**ISDA Definitions**” means the 2006 ISDA Definitions as published by the International Swaps and Derivatives Association, Inc., as may be supplemented or amended as at the Issue Date.

“**Rate of Interest**” means the rate of interest payable from time to time in respect of the Notes and that is either specified or calculated in accordance with the provisions in the relevant Final Terms.

“**Reference Banks**” means in the case of a determination of LIBOR, the principal London office of four major banks in the London inter-bank market and, in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market, in each case selected by the Calculation Agent with the approval of the Issuer or as specified in the relevant Final Terms.

“**Reference Rate**” means the rate specified as such in the relevant Final Terms which shall be either LIBOR, EURIBOR or CMS Rate.

“**Relevant Screen Page**” means such page, section, caption, column or other part of a particular information service as may be specified in the relevant Final Terms or such other page, section, caption, column or other part as may replace it on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to that Reference Rate.

**“Relevant Swap Rate”** means:

- (i) where the Reference Currency is Euro, the mid-market annual swap rate determined on the basis of the arithmetic mean of the bid and offered rates for the annual fixed leg, calculated on a 30/360 day count basis, of a fixed-for-floating euro interest rate swap transaction with a term equal to the Designated Maturity commencing on the first (1<sup>st</sup>) day of the relevant Interest Period and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg, in each case calculated on an Actual/360 day count basis, is equivalent to EUR-EURIBOR-Reuters (as defined in the ISDA Definitions), with a designated maturity determined by the Calculation Agent by reference to standard market practice and/or the ISDA Definitions;
- (ii) where the Reference Currency is Sterling, the mid-market semi-annual swap rate determined on the basis of the arithmetic mean of the bid and offered rates for the semi-annual fixed leg, calculated on an Actual/365 (Fixed) day count basis, of a fixed-for-floating Sterling interest rate swap transaction with a term equal to the Designated Maturity commencing on the first (1<sup>st</sup>) day of the relevant Interest Period and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg, in each case calculated on an Actual/365 (Fixed) day count basis, is equivalent (A) if the Designated Maturity is greater than one (1) year, to GBP-LIBOR-BBA (as defined in the ISDA Definitions) with a designated maturity of six (6) months or (B) if the Designated Maturity is one (1) year or less, to GBP-LIBORBBA with a designated maturity of three (3) months;
- (iii) where the Reference Currency is U.S. Dollars, the mid-market semi-annual swap rate determined on the basis of the mean of the bid and offered rates for the semi-annual fixed leg, calculated on a 30/360 day count basis, of a fixed-for-floating U.S. Dollar interest rate swap transaction with a term equal to the Designated Maturity commencing on the first (1<sup>st</sup>) day of the relevant Interest Period and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg, calculated on an Actual/360 day count basis, is equivalent to USD-LIBOR-BBA (as defined in the ISDA Definitions) with a designated maturity of three (3) months; and
- (iv) where the Reference Currency is any other currency or if the Final Terms specify otherwise, the mid-market swap rate as determined in accordance with the applicable Final Terms.

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

**“RMB Note”** means a Note denominated in Renminbi.

**“Specified Currency”** means the currency specified as such in the relevant Final Terms.

**(b) Interest on Fixed Rate Notes other than Fixed Rate Notes denominated in RMB**

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

If a Fixed Coupon Amount or a Broken Amount is specified in the relevant Final Terms, the amount of interest payable on each Interest Payment Date will amount to the Fixed Coupon Amount or, if

applicable, the Broken Amount so specified and in the case of the Broken Amount will be payable on the particular Interest Payment Date(s) specified in the relevant Final Terms.

(c) **Interest on Floating Rate Notes and Inflation Linked Interest Notes**

- (i) Interest Payment Dates: Each Floating Rate Note and Inflation Linked Interest Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear (except as otherwise provided in the relevant Final Terms) on each Interest Payment Date. Such Interest Payment Date(s) is/are either shown in the relevant Final Terms as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown in the relevant Final Terms, Interest Payment Date shall mean each date which falls the number of months or other period shown in the relevant Final Terms as the Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.
- (ii) Business Day Convention: If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.
- (iii) Rate of Interest for Floating Rate Notes: The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified in the relevant Final Terms and the provisions below relating to either FBF Determination, ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified in the relevant Final Terms.

(A) FBF Determination for Floating Rate Notes

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

- I. the Floating Rate is as specified in the relevant Final Terms; and
- II. the relevant Floating Rate Determination Date (*Date de Détermination du Taux Variable*) is the first (1<sup>st</sup>) day of that Interest Accrual Period unless otherwise specified in the relevant Final Terms.

For the purposes of this sub-paragraph (A), “**Floating Rate**” (*Taux Variable*), “**Calculation Agent**” (*Agent*), “**Floating Rate Determination Date**” (*Date de Détermination du Taux Variable*) and “**Transaction**” (*Transaction*) have the meanings given to those terms in the FBF Definitions, provided that “**Euribor**” means the rate calculated for deposits in euro which appears on Reuters Page EURIBOR01, as more fully described in the relevant Final Terms.

In the relevant Final Terms, when the paragraph “Floating Rate” specifies that the rate is determined by linear interpolation, in respect of an Interest Period, the Rate of Interest for such Interest Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two rates based on the relevant Floating Rate, one of which shall be determined as if the maturity were the period of time (for which rates are available) next shorter than the length of the relevant Interest Period, and the other of which shall be determined as if the maturity were the period of time (for which rates are available) next longer than the length of the relevant Interest Period.

(B) ISDA Determination for Floating Rate Notes

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

- I. the Floating Rate Option is as specified in the relevant Final Terms;
- II. the Designated Maturity is a period specified in the relevant Final Terms; and
- III. the relevant Reset Date is the first (1<sup>st</sup>) day of that Interest Accrual Period unless otherwise specified in the relevant Final Terms.

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

In the applicable Final Terms, when the paragraph “Floating Rate Option” specifies that the rate is determined by linear interpolation, in respect of an Interest Period, the Rate of Interest for such Interest Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two rates based on the relevant Floating Rate Option, one of which shall be determined as if the Designated Maturity were the period of time (for which rates are available) next shorter than the length of the relevant Interest Period, and the other of which shall be determined as if the Designated Maturity were the period of time (for which rates are available) next longer than the length of the relevant Interest Period.

(C) Screen Rate Determination for Floating Rate Notes

Where Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period will, subject as provided below, be either:

- I. the offered quotation; or
- II. the arithmetic mean of the offered quotations, (expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at either 11.00 a.m. (London time in the case of LIBOR or Brussels time in the case of EURIBOR) on the Interest Determination Date in question as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations.

If the Reference Rate from time to time in respect of Floating Rate Notes is specified in the relevant Final Terms as being other than LIBOR or EURIBOR, the Rate of Interest in respect of such Notes will be determined as provided in the relevant Final Terms.

- III. if the Relevant Screen Page is not available or, if sub-paragraph 5(c)(iii)(C)I applies and no such offered quotation appears on the Relevant Screen Page, or, if sub-paragraph 5(c)(iii)(C)II applies and fewer than three such offered quotations appear on the Relevant Screen Page, in each case as at the time specified above, subject as provided below, the Calculation Agent shall request, if the Reference Rate is LIBOR, the principal London office of each of the Reference Banks or, if the Reference Rate is EURIBOR, the principal Euro-zone office of each of the Reference Banks, to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time), or if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent; and
- IV. if sub-paragraph 5(c)(iii)(C)(III) above applies and the Calculation Agent determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, as the case may be, or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Specified



Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time), on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, as the case may be, provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum or Minimum Rate of Interest 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 or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period).

- V. Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined and the Reference Rate in respect of the Floating Rate Notes is specified as being CMS Rate, the Rate of Interest for each Interest Accrual Period will be the offered quotation (expressed as a percentage rate per annum) for CMS Rate or for the combination based on CMS Rate as set out in the formula below, relating to the relevant maturity (the relevant maturity year mid swap rate in EUR (annual 30/360)), which appears on the Relevant Screen Page, being Reuters page “ISDAFIX 2” under the heading “EURIBOR Basis”, as at 11.00 a.m. Frankfurt time, in the case of the EUR-ISDA-EURIBOR Swap Rate-11:00 on the Interest Determination Date in question plus or minus (as indicated in the relevant Final Terms) the Margin (if any), all as determined by the Calculation Agent, subject as provided below, and as determined by the Calculation Agent by reference to the following formula:

CMS Rate + Margin

or for CMS Rate combination formula:

$\mathbf{m} \times \text{CMS Rate [specify maturity]} [+/-/\times] \mathbf{n} \times \text{CMS Rate [specify maturity]}$

Where each of “**m**” and “**n**” means the number specified in the relevant Final Terms.

If the Relevant Screen Page is not available, the Calculation Agent shall request each of the CMS Reference Banks to provide the Calculation Agent with its quotation for the Relevant Swap Rate at approximately the Specified Time on the Interest Determination Date in question. 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 Interest 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.

In the applicable Final Terms, when the paragraph “Reference Rate” specifies that the rate is determined by linear interpolation, in respect of an Interest Period, the Rate of Interest for such Interest Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two rates based on the relevant Reference Rate, one of which shall be determined as if the maturity were the period of time (for which rates are available) next shorter than the length of the relevant Interest Period, and the other of which shall be determined as if the maturity were the period of time (for which rates are available) next longer than the length of the relevant Interest Period.

(iv) Rate of Interest for Inflation Linked Notes

(A) Consumer Price Index (CPI)

Where the consumer price index (excluding tobacco) for all households in France, as calculated and published by the *Institut National de la Statistique et des Etudes Economiques* (the “INSEE”) (“CPI”) is specified as the Index in the relevant Final Terms, this Condition shall apply. Terms defined herein shall have the meanings set out below only when this Condition shall apply.

The Rate of Interest in respect of Inflation Linked Notes indexed to the CPI (the “**CPI Linked Interest**”) will be determined by the Calculation Agent on the following basis of:

- I. a fixed rate being the Rate of Interest specified in the relevant Final Terms multiplied by the Index Inflation Ratio.

On the fifth (5<sup>th</sup>) Business Day before each Interest Payment Date (an “**Interest Determination Date**”) the Calculation Agent will calculate the Inflation Index Ratio.

For the purpose of this Condition, the “**Inflation Index Ratio**” or “**IIR**” is the ratio between (i) the CPI Daily Inflation Reference Index (as defined below) applicable upon any Interest Payment Date or the redemption date, as the case may be and (ii) the base reference defined as the CPI Daily Inflation Reference Index (as defined below) applicable on the date specified in the applicable Final Terms (the “**Base Reference**”). The IIR will be rounded if necessary to five significant figures (with halves being rounded up).

“**CPI Daily Inflation Reference Index**” means (A) in relation to the first (1<sup>st</sup>) day of any given month, the CPI Monthly Reference Index of the third (3<sup>rd</sup>) month preceding such month, and (B) in relation to a day (**D**) (other than the first (1<sup>st</sup>) day) in any given month (**M**), the linear interpolation of the CPI Monthly Reference Index pertaining respectively to the third (3<sup>rd</sup>) month preceding such month (**M - 3**) and the second (2<sup>nd</sup>) month preceding such month (**M - 2**) calculated in accordance with the following formula:

CPI Daily Inflation Reference Index=

$$\text{CPI Monthly Reference Index}_{M-3} + \frac{D-1}{ND_M} \times (\text{CPI Monthly Reference Index}_{M-2} - \text{CPI Monthly Reference Index}_{M-3})$$

With:

“CPI Monthly Reference Index<sub>M-2</sub>”: price index of month M - 2;

“CPI Monthly Reference Index<sub>M-3</sub>”: price index of month M - 3;

“D”: actual day of payment in the relevant month M and, in the case of payment of principal and interest, shall be equal to 25; and

“ND<sub>M</sub>”: number of days in the relevant month M and, in the case of payment of principal and interest, shall be equal to 31;

The CPI Daily Inflation Reference Index will be rounded if necessary to five significant figures (with halves being rounded up).

For information purposes, such CPI Daily Inflation Reference Index appears on the *Agence France Trésor* Reuters page OATINFLATION01 or on Bloomberg TRESOR <GO> pages and on the website [www.aft.gouv.fr](http://www.aft.gouv.fr). In the case of doubt in the interpretation of the methods used to calculate the Inflation Index Ratio, such methods shall be interpreted by reference to the procedures selected by the French Treasury (*Trésor*) for its *obligations assimilables du Trésor indexées sur l'inflation*.

“CPI Monthly Reference Index” refers to the definitive consumer price index excluding tobacco for all households in France, as calculated and published monthly by the INSEE as such index may be adjusted or replaced from time to time as provided herein.

- II. The calculation method described below is based on the recommendation issued by the French Bond Association (*Comité de Normalisation Obligataire* – [www.cnofrance.org](http://www.cnofrance.org)) in its December 2010 Paper entitled “Inflation Indexed Notes” (*Obligations et autres instruments de taux d'intérêt en euro, Normes et usages des marchés de capitaux – Chapitre II: Les obligations indexées sur l'inflation*). In the case of any conflict between the calculation method provided below and the calculation method provided by the French Bond Association (*Comité de Normalisation Obligataire*), the calculation method provided by the French Bond Association (*Comité de Normalisation Obligataire*) shall prevail.

The CPI Linked Interest applicable from time to time for each Interest Period (as specified in the relevant Final Terms) will be equal to the fixed rate *per annum* specified in the relevant Final Terms multiplied by the Inflation Index Ratio (as defined above).

- III. If the CPI Monthly Reference Index is not published in a timely manner, a substitute CPI Monthly Reference Index (the “**Substitute CPI Monthly**”

**Reference Index**”) shall be determined by the Calculation Agent in accordance with the following provisions:

- (x) If a provisional CPI Monthly Reference Index (*indice provisoire*) has already been published, such index shall automatically be used as the Substitute CPI Monthly Reference Index. Such provisional CPI Monthly Reference Index would be published under the heading “*indice de substitution*”. Once the definitive CPI Monthly Reference Index is released, it would automatically apply from the day following its release to all calculations taking place from this date.
- (y) If no provisional CPI Monthly Reference Index is available, a substitute index shall be calculated on the basis of the most recently published figure adjusted as set out in the following formula:

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

$$\text{CPI Monthly Reference Index}_{M-1} \times \frac{\text{CPI Monthly Reference Index}_{M-12} \times \frac{1}{12}}{\text{CPI Monthly Reference Index}_{M-13}}$$

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

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

Such that:

$$\text{CPI Monthly Reference Index (New Basis)} = \text{CPI Monthly Reference Index (Previous Basis)} \times \text{Key}$$

(B) **Harmonised Index of Consumer Prices (HICP)**

Where the harmonised index of consumer prices (excluding tobacco) measuring the rate of inflation in the European Monetary Union as calculated and published monthly by Eurostat (the “**HICP**”) is specified as the Index in the relevant Final Terms, this Condition shall apply. Terms defined herein shall have the meanings set out below only when this Condition shall apply.

The Rate of Interest in respect of Inflation Linked Notes indexed to the HICP (the “**HICP Linked Interest**”) will be determined by the Calculation Agent on the following basis of:

- I. a fixed rate being the Rate of Interest specified in the relevant Final Terms multiplied by the Index Inflation Ratio.

On the fifth (5<sup>th</sup>) Business Day before each Interest Payment Date (an “**Interest Determination Date**”) the Calculation Agent will calculate the Inflation Index Ratio.

For the purpose of this Condition, the “**Inflation Index Ratio**” or “**IIR**” is the ratio between (i) the HICP Daily Inflation Reference Index (as defined below) applicable upon any Interest Payment Date or the redemption date, as the case may be and (ii) the base reference defined as the HICP Daily Inflation Reference Index (as defined below) applicable on the date specified in the applicable Final Terms (the “**Base Reference**”). The IIR will be rounded if necessary to five significant figures (with halves being rounded up).

“**HICP Daily Inflation Reference Index**” means (A) in relation to the first (1<sup>st</sup>) day of any given month, the HICP Monthly Reference Index of the third (3<sup>rd</sup>) month preceding such month, and (B) in relation to a day (**D**) (other than the first (1<sup>st</sup>) day) in any given month (**M**), the linear interpolation of the HICP Monthly Reference Index pertaining respectively to the third (3<sup>rd</sup>) month preceding such month (**M - 3**) and the second (2<sup>nd</sup>) month preceding such month (**M - 2**) calculated in accordance with the following formula:

HICP Daily Inflation Reference Index =

$$\text{HICP Monthly Reference Index}_{M-3} + \frac{D-1}{\text{ND}_M} \times \frac{(\text{HICP Monthly Reference Index}_{M-2} - \text{HICP Monthly Reference Index}_{M-3})}{1}$$

With:

“**HICP Monthly Reference Index** <sub>M-2</sub>”: price index of month M - 2;

“**HICP Monthly Reference Index** <sub>M-3</sub>”: price index of month M - 3.

“**D**”: actual day of payment in the relevant month M and, in the case of payment of principal and interest, shall be equal to 25; and

“**ND<sub>M</sub>**”: number of days in the relevant month M and, in the case of payment of principal and interest, shall be equal to 31.

The HICP Daily Inflation Reference Index will be rounded if necessary to five significant figures (with halves being rounded up).

For information purposes, such HICP Daily Inflation Reference Index appears on the *Agence France Trésor* Reuters page OATEI01, on the website [www.aft.gouv.fr](http://www.aft.gouv.fr) and on Bloomberg page TRESOR.

“**HICP Monthly Reference Index**” refers to the harmonised index of consumer prices excluding tobacco measuring the rate of inflation in the European Monetary Union excluding tobacco as calculated and published by Eurostat as such index may be adjusted or replaced from time to time as provided herein. The first publication or announcement of a level of such index for a given month shall be final and conclusive and later revisions to the level for such month will not be used in any calculations.

- II. The HICP Linked Interest applicable from time to time for each Interest Period (as specified in the relevant Final Terms) will be equal to the fixed rate *per annum* specified in the relevant Final Terms multiplied by the Inflation Index Ratio (as defined above).
- III. If the HICP Monthly Reference Index is not published in a timely manner, a substitute HICP Monthly Reference Index (the “**Substitute HICP Monthly Reference Index**”) shall be determined by the Calculation Agent in accordance with the following provisions:

(x) If a provisional HICP Monthly Reference Index has already been published by Eurostat, such index shall automatically be used as the Substitute HICP Monthly Reference Index. Once the definitive HICP Monthly Reference Index is released, it would automatically apply from the day following its release to all calculations taking place from this date.

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

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

$$\text{HICP Monthly Reference Index}_{M-1} \times \frac{\text{HICP Monthly Reference Index}_{M-12}}{\text{HICP Monthly Reference Index}_{M-13}}$$

In the event Eurostat decides to proceed with one or more base changes for the purpose of calculating the HICP Monthly Reference Index, the two HICP Monthly Reference Indexes which have been calculated on a different basis will be chained on the basis of the December HICP Monthly Reference Index of the last year of joint publications, which corresponds to the HICP Daily Inflation Reference Index for 1st March of the following year. Such chaining will be carried out in accordance with the following equation:

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

Such that:

$$\text{HICP Monthly Reference Index} = \text{HICP Monthly Reference Index} \times \text{Key}$$

(C) The U.S. Consumer Price Index (US CPI)

The US CPI is the non-seasonally adjusted U.S. City Average All Items Consumer Price Index for All Urban Consumers, reported monthly by the Bureau of Labor Statistics of the U.S. Labor Department (the “BLS”) and published on Bloomberg page “CPURNSA” or any successor source. The US CPI for a particular month is published during the following month. The BLS is not involved in the offering of any Notes paying interest based on the US CPI in any way and has no obligation to consider any investor’s or potential investor’s interests as a holder or potential holder of any Notes paying interest based on the US CPI. The BLS has no obligation to continue to publish the US CPI, and may discontinue publication of the US CPI at any time in its sole discretion. The consequences of the BLS discontinuing publication of the US CPI are described below. None of the Issuer, Arranger, Dealers and Calculation Agent assumes any responsibility for the calculation, maintenance, or publication of the US CPI reported by the BLS and Bloomberg or any successor index, or the accuracy or completeness of any information BLS utilizes in calculating the US CPI or published on the Bloomberg page “CPURNSA” or any successor source.

The US CPI is a measure of the average change in consumer prices over time for a fixed market basket of goods and services, including food, clothing, shelter, fuels, transportation, charges for doctors' and dentists' services and drugs. In calculating the index, price changes for the various items are averaged together with weights that represent their importance in the spending of urban households in the United States. The contents of the market basket of goods and services and the weights assigned to the various items are updated periodically by the BLS to take into account changes in consumer expenditure patterns. The US CPI is expressed in relative terms in relation to a time base reference period for which the level is set at 100.0. The base reference period for Notes paying interest based on the US CPI is the 1982-1984 average.

*All information contained in this Base Prospectus regarding the US CPI, including, without limitation, its make-up and method of calculation, has been derived from publicly available information. The Issuer, Arranger, Dealers and Calculation Agent do not make any representation or warranty as to the accuracy or completeness of such information.*

Notes paying interest based on the US CPI will pay a rate *per annum* linked to the Change in the US CPI (i) plus, if applicable, an additional amount of interest (referred to as the “**spread**”) or (ii) multiplied by a number (referred to as the “**multiplier**”), as either may be specified in the relevant Final Terms; provided that, unless otherwise specified in the relevant Final Terms, the applicable Rate of Interest for Notes paying interest based on the US CPI will also be subject to a Minimum Rate of Interest equal to 0.00 per cent. *per annum* and possibly a Maximum Rate of Interest. The “**Change in the US CPI**” for a particular interval will be calculated as follows:

$$\text{CPI}(t) - \text{CPI}(t-x)$$

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$$\text{CPI}(t-x)$$

where:

“**CPI(t)**” for any Determination Date is the level of the US CPI for a calendar month (the “**reference month**” which shall be specified in the relevant Final Terms) prior to the calendar month in which the applicable Determination Date falls; and

“**CPI(t-x)**” for any Determination Date is the level of the US CPI for a calendar month prior to the applicable reference month, as specified in the relevant Final Terms.

If by 3:00 p.m. New York City time on any Determination Date the US CPI is not published on Bloomberg “CPURNSA” for any relevant month, but has otherwise been reported by the BLS, then the Calculation Agent will determine the US CPI as reported by the BLS for such month using such other source as, on its face, after consultation with the Issuer, appears to accurately set forth the US CPI as reported by the BLS.

In calculating CPI(t) and CPI(t-x), the Calculation Agent will use the most recently available value of the US CPI determined as described above on the applicable Determination Date, even if such value has been adjusted from a previously reported value for the relevant month. However, if a value of CPI(t) or CPI(t-x) used by the Calculation Agent on any Determination Date to determine the interest rate on a Series of Notes is subsequently revised by the BLS, the interest rate for such Series of Notes determined on such Determination Date will not be revised.

If the US CPI is rebased to a different year or period and the 1982-1984 US CPI is no longer used, the base reference period for Notes paying interest based on the US CPI will continue to be the 1982-1984 reference period as long as the 1982-1984 US CPI continues to be published by the BLS.

If, while any Series of Notes paying interest based on the US CPI is outstanding, the US CPI is discontinued or is substantially altered, as determined in the sole discretion of the Calculation Agent, acting in good faith and in a commercially reasonable manner, the successor index for such Series of Notes will be that index chosen by the Secretary of the Treasury to replace the US CPI for the purpose of calculating payments on the Department of the Treasury's Inflation-Linked Treasuries as described at 62 Federal Register 846-874 (6 January 1997) or, if no such securities are outstanding, the successor index will be determined by the Calculation Agent acting in good faith and in a commercially reasonable manner.

In addition, for the purposes of Notes paying interest based on the US CPI:

“**Determination Date**” shall mean two (2) business days in New York immediately prior to the beginning of the applicable Interest Period, or as specified in the relevant Final Terms (but not more than twenty-eight (28) days prior to the beginning of the applicable Interest Period).

“**Interest Period**” shall mean, in respect of any Series of Notes paying interest based on the US CPI, the period beginning on and including the



Issue Date of such Series of Notes and ending on but excluding the first Interest Payment Date, and each successive period beginning on and including an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date, or such other period as specified in the relevant Final Terms.

“**Interest Payment Date**” shall be the Interest Payment Date specified in the relevant Final Terms.

- (d) **Fixed/Floating Rate Notes:** Fixed/Floating Rate Notes may bear interest at a rate (i) that the Issuer may elect to convert on the date set out in the Final Terms from a Fixed Rate to a Floating Rate, or from a Floating Rate to a Fixed Rate or (ii) that will automatically change from a Fixed Rate to a Floating Rate or from a Floating Rate to a Fixed Rate on the date set out in the Final Terms.
- (e) **Zero Coupon Notes:** Where a Note the Interest Basis of which is specified to be Zero Coupon and is repayable prior to the Maturity Date is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note. As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 6(f)(i)).
- (f) **Accrual of Interest:** Interest shall cease to accrue on each Note on the due date for redemption unless (i) in the case of Dematerialised Notes, on such due date or (ii) in the case of Materialised Notes, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (as well after as before judgment) at the Rate of Interest in the manner provided in this Condition 5 to the Relevant Date.
- (g) **Margin, Maximum/Minimum Rates of Interest and Redemption Amounts and Rounding:**
  - (i) If any Margin is specified in the relevant Final Terms (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with (c) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin, subject always to the next paragraph.
  - (ii) If any Maximum or Minimum Rate of Interest or Redemption Amount is specified in the relevant Final Terms, then any Rate of Interest or Redemption Amount shall be subject to such maximum or minimum, as the case may be. Unless a higher Minimum Rate of Interest is provided in the relevant Final Terms, the Minimum Rate of Interest (which, for the avoidance of doubt, includes any applicable Margin) shall be deemed to be 0.00 per cent.
  - (iii) For the purposes of any calculations required pursuant to these Conditions, (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures shall be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes “**unit**” means the lowest amount of such currency that is available as legal tender in the country(ies) of such currency.
- (h) **Calculations:** The amount of interest payable in respect of any Note for any period shall be calculated by multiplying the product of the Rate of Interest and the outstanding nominal amount of such Note by the Day Count Fraction, unless an Interest Amount is specified in the relevant Final Terms in respect of such period, in which case the amount of interest payable in respect of such Note

for such period shall equal such Interest Amount. Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable in respect of such Interest Period shall be the sum of the amounts of interest payable in respect of each of those Interest Accrual Periods.

- (i) **Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Optional Redemption Amounts and Early Redemption Amounts:** As soon as practicable after the relevant time on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, it shall determine such rate and calculate the Interest Amounts in respect of each Specified Denomination of the Notes for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Optional Redemption Amount or Early Redemption Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Accrual Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Optional Redemption Amount or any Early Redemption Amount to be notified to the Fiscal Agent, the Issuer, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are admitted to trading on a Regulated Market and the rules of, or applicable to, such Regulated Market so require, such Regulated Market as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such Regulated Market of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth (4<sup>th</sup>) Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 5(c)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.
- (j) **Calculation Agent:** The Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for them in the relevant Final Terms and for so long as any Note is outstanding (as defined in Condition 4). If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank, then the Issuer shall appoint another Reference Bank with an office in the Relevant Financial Centre to act as such in its place. Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Period or Interest Accrual Period or to calculate any Interest Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall appoint a leading bank or investment banking firm engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal Luxembourg office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid. So long as the Notes are admitted to trading on a Regulated Market and the rules of, or applicable to, that Regulated Market so require, notice of any change of Calculation Agent shall be given in accordance with Condition 15.
- (k) **RMB Notes:** Notwithstanding the foregoing, each RMB Note which is a Fixed Rate Note bears interest from (and including) the Interest Commencement Date at the rate per annum equal to the Rate of Interest. For the purposes of calculating the amount of interest, if any Interest Payment Date would otherwise fall on a day which is not a Business Day, it shall be postponed to the next day

which is a Business Day unless it would thereby fall into the next calendar month in which case it shall be brought forward to the immediately preceding Business Day. Interest will be payable in arrear on each Interest Payment Date.

The Calculation Agent will, as soon as practicable after 11.00 a.m. (Hong Kong time) on each Interest Determination Date, calculate the amount of interest payable per Specified Denomination for the relevant Interest Period. The determination of the amount of interest payable per Specified Denomination by the Calculation Agent shall (in the absence of manifest error and after confirmation by the Issuer) be final and binding upon all parties.

The Calculation Agent will cause the amount of interest payable per Specified Denomination for each Interest Period and the relevant Interest Payment Date to be notified to each of the Paying Agents and to be notified to Noteholders as soon as possible after their determination but in no event later than the fourth (4<sup>th</sup>) Business Day thereafter. The amount of interest payable per Specified Denomination and Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 9, the accrued interest per Specified Denomination shall nevertheless continue to be calculated as previously by the Calculation Agent in accordance with this provision but no publication of the amount of interest payable per Specified Denomination so calculated need be made.

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

## 6. REDEMPTION, PURCHASE AND OPTIONS

- (a) **Final Redemption:** Unless previously redeemed, purchased and cancelled as provided below, each Note shall be finally redeemed on the Maturity Date specified in the relevant Final Terms at its Final Redemption Amount (which is its nominal amount, except for Zero Coupon Notes).
- (b) **Redemption at the Option of the Issuer:** If a Call Option is specified in the relevant Final Terms, the Issuer may, subject to compliance by the Issuer with all relevant laws, regulations and directives and on giving not less than fifteen (15) nor more than thirty (30) days' irrevocable notice in accordance with Condition 15 to the Noteholders (or such other notice period as may be specified in the relevant Final Terms) redeem all or, if so provided, some, of the Notes on any Optional Redemption Date (as specified in the relevant Final Terms). Any such redemption of Notes shall be at their Optional Redemption Amount (as specified in the relevant Final Terms) together with interest accrued to the date fixed for redemption (including, where applicable, any arrears of interest), if any. Any such redemption or exercise must relate to Notes of a nominal amount at least equal to the minimum nominal amount to be redeemed specified in the relevant Final Terms and no greater than the maximum nominal amount to be redeemed specified in the relevant Final Terms.

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

In the case of a partial redemption in respect of Materialised Notes, the notice to holders of such Materialised Notes shall also contain the number of the Definitive Materialised Bearer Notes to be redeemed which shall have been drawn in such place and in such manner as may be fair and reasonable in the circumstances, taking account of prevailing market practices, subject to compliance with any applicable laws and Regulated Market or stock exchange requirements.

In the case of a partial redemption in respect of Dematerialised Notes, the redemption shall be effected by reducing the nominal amount of all such Dematerialised Notes in a Series in proportion to the aggregate nominal amount redeemed, subject to compliance with any applicable laws and Regulated Market or other stock exchange requirements.

- (c) **Make-Whole Redemption by the Issuer:** If a Make-Whole Redemption by the Issuer is specified in the relevant Final Terms, in respect of any issue of Notes, the Issuer will, subject to compliance by the Issuer with all relevant laws, regulations and directives and on giving not less than fifteen (15) nor more than thirty (30) days' irrevocable notice in accordance with Condition 15 to the Noteholders (or such other notice period as may be specified in the relevant Final Terms) have the option to redeem the Notes, in whole or in part, at any time or from time to time, prior to their Maturity Date (the "**Optional Redemption Date**") at their Optional Redemption Amount (as defined below).

"**Optional Redemption Amount**" means in respect of any Notes to be redeemed pursuant to this Condition 6(c) an amount, calculated by the Calculation Agent equal to the greater of:

(x) 100 per cent. of the nominal amount of the Notes so redeemed and,

(y) the sum of the then present values of the remaining scheduled payments of principal and interest on such Notes (not including any interest accrued on the Notes to, but excluding, the relevant Optional Redemption Date) discounted to the relevant Optional Redemption Date on an annual basis at the Redemption Rate plus a Redemption Margin (as specified in the relevant Final Terms), plus in each case (x) or (y) above, any interest accrued on the Notes to, but excluding, the Optional Redemption Date.

"**Redemption Rate**" means the average of the four quotations given by the Reference Dealers of the mid-market annual yield to maturity of the Reference Security (as specified in the relevant Final Terms) on the fourth (4<sup>th</sup>) business day preceding the Optional Redemption Date at 11.00 a.m. (Central European time (CET)).

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

If the Reference Security is no longer outstanding, a Similar Security (as specified in the relevant Final Terms) will be chosen by the Calculation Agent at 11.00 a.m. (Central European time (CET)) on the third (3<sup>rd</sup>) business day in London preceding the Optional Redemption Date, quoted in writing by the Calculation Agent to the Issuer and notified in accordance with Condition 15.

The Redemption Rate will be notified by the Issuer in accordance with Condition 15.

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

In the case of a partial redemption, in respect of Materialised Notes, the notice to holders of such Materialised Notes shall also contain the number of the Definitive Materialised Notes to be redeemed, which shall have been drawn in such place and in such manner as may be fair and reasonable in the circumstances and taking account of prevailing market practices, subject to compliance with any applicable laws and Regulated Market or other stock exchange requirements on which the Notes are listed and admitted to trading.

In the case of a partial redemption in respect of, Dematerialised Notes, the redemption may be effected, at the option of the Issuer, either by reducing the nominal amount of all such Dematerialised Notes in a Series in proportion to the aggregate nominal amount redeemed, subject to compliance with any applicable laws and Regulated Market or other stock exchange requirements on which the Notes are listed and admitted to trading.

Any notice given by the Issuer pursuant to this Condition 6(c) shall be deemed void and of no effect in relation to any Note in the event that, prior to the giving of such notice by the Issuer, the relevant Noteholder had already delivered an Exercise Notice in relation to such Note in accordance with Condition 6(d) below.

- (d) **Redemption at the Option of Noteholders:** If a Put Option is specified in the relevant Final Terms, the Issuer shall, at the option of the Noteholder, upon the Noteholder giving not less than fifteen (15) nor more than thirty (30) days' notice to the Issuer (or such other notice period as may be specified in the relevant Final Terms) redeem such Note on the Optional Redemption Date(s) (as specified in the relevant Final Terms) at its Optional Redemption Amount (as specified in the relevant Final Terms) together with interest accrued to the date fixed for redemption including, where applicable, any arrears of interest.

To exercise such option the Noteholder must deposit with any Paying Agent at its specified office a duly completed option exercise notice (the "**Exercise Notice**") in the form obtained from any Paying Agent, within the notice period. In the case of Materialised Bearer Notes, the Exercise Notice shall have attached to it such Notes (together with all unmatured Coupons and unexchanged Talons). 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 Fiscal Agent or the Paris Paying Agent specified in the Exercise Notice. No option so exercised and, where applicable, no Note so deposited or transferred may be withdrawn without the prior consent of the Issuer.

- (e) **Redemption of Inflation Linked Notes:** If so specified in the relevant Final Terms, the Final Redemption Amount in respect of Inflation Linked Notes will be determined by the Calculation Agent on the following basis:

$$\text{Final Redemption Amount} = \text{IIR} \times \text{nominal amount of the Notes}$$

"**IIR**" being for the purpose of this Condition the ratio determined on the fifth (5<sup>th</sup>) Business Day before the Maturity Date between (i) if the CPI is specified as the Index applicable in the Final Terms, the CPI Daily Inflation Reference Index on the Maturity Date and the Base Reference on the date specified in the relevant Final Terms, (ii) if the HICP is specified as the Index applicable in the Final Terms, the HICP Daily Inflation Reference Index on the Maturity Date and the Base Reference on the date specified in the relevant Final Terms or (iii) if the US CPI is specified as the Index applicable in the Final Terms, the Change in the US CPI, but where for these purposes the reference to CPI Determination Date in CPI(t) shall be interpreted to be the date falling two (2) Business Days prior to the Maturity Date, and the reference to CPI Determination Date in CPI(t-x) shall be interpreted to be the date falling two (2) Business Days prior to the Issue Date.

If the Final Redemption Amount calculated as set out above is below par, the Notes will be redeemed at par.

- (f) **Early Redemption:**

(i) Zero Coupon Notes:

- (A) The Early Redemption Amount payable in respect of any Zero Coupon Note, upon redemption of such Note pursuant to Condition 6(g) or Condition 6(k) or upon it

becoming due and payable as provided in Condition 9 shall be the Amortised Nominal Amount (calculated as provided below) of such Note.

- (B) Subject to the provisions of sub-paragraph (C) below, the Amortised Nominal Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown in the relevant Final Terms, shall be such rate as would produce an Amortised Nominal Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.
- (C) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 6(g) or Condition 6(k) or upon it becoming due and payable as provided in Condition 9 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Nominal Amount of such Note as defined in sub-paragraph (B) above, except that such sub-paragraph shall have effect as though the date on which the Amortised Nominal Amount becomes due and payable were the Relevant Date. The calculation of the Amortised Nominal Amount in accordance with this sub-paragraph shall continue to be made (as well after as before judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 5(d). Where such calculation is to be made for a period of less than one (1) year, it shall be made on the basis of the Day Count Fraction shown in the relevant Final Terms.

(ii) Inflation Linked Notes

- (A) If the relevant Final Terms provides that Condition 6(f)(ii) shall apply in respect of Inflation Linked Notes, the Early Redemption Amount will be determined by the Calculation Agent on the following basis:

**“Early Redemption Amount”** = IIR x nominal amount of the Notes

**“IIR”** being for the purposes of this Condition the ratio determined on the fifth (5<sup>th</sup>) Business Day before the date set for redemption between (i) if the CPI is specified as the index applicable in the Final Terms, the CPI Daily Inflation Reference Index on the date set for redemption and the Base Reference specified in the relevant Final Terms, (ii) if the HICP is specified as the Index applicable in the Final Terms, the HICP Daily Inflation Reference Index on the date set for redemption and the Base Reference specified in the relevant Final Terms or (iii) if the US CPI is specified as the Index applicable in the Final Terms, the Change in the US CPI, but where for these purposes, the reference to CPI Determination Date in CPI(t) shall be interpreted to be the date falling five (5) Business Days prior to the date set for redemption, and the reference to CPI Determination Date in CPI(t-x) shall be interpreted to be the date falling two (2) Business Days prior to the Issue Date.

If the Early Redemption Amount calculated as set out above is below par, the Notes will be redeemed at par.

- (B) If the Inflation Linked Notes (whether or not Condition 6(g)(ii) applies) fall to be redeemed for whatever reason before the Maturity Date, the Issuer will pay the Early

Redemption Amount together with interest accrued to the date set for redemption. Such accrued interest will be calculated by the Calculation Agent in respect of the period from, and including the immediately preceding Interest Payment Date or, as the case may be, the Interest Commencement Date to, but excluding, the date set for redemption of such Notes at a rate per annum on the basis of the provisions of Condition 5(c)(iv) above except that, for such purposes the relevant Interest Determination Date shall be the fifth (5<sup>th</sup>) business day prior to the relevant Early Redemption Date.

- (iii) Other Notes: The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) and (ii) above), upon redemption of such Note pursuant to Condition 6(g) or Condition 6(k), or upon it becoming due and payable as provided in Condition 9 shall be the Final Redemption Amount together with interest accrued to the date fixed for redemption (including, where applicable, any arrears of interest).

**(g) Redemption for Taxation Reasons**

- (i) If, by reason of any change in, or any change in the official application or interpretation of, French law becoming effective after the Issue Date, the Issuer, would on the occasion of the next payment of principal or interest due in respect of the Notes or Coupons, not be able to make such payment without having to pay Additional Amounts as specified and defined under Condition 8 below, the Issuer may, at its option, on any Interest Payment Date or, if so specified in the relevant Final Terms, at any time, subject to having given not more than forty-five (45) nor less than thirty (30) days' notice to the Noteholders (which notice shall be irrevocable), in accordance with Condition 15, redeem all, but not some only, of the Notes at their Early Redemption Amount together with any interest accrued to the date set for redemption (including, where applicable, any arrears of interest) provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the latest practicable date on which the Issuer could make payment of principal and interest without withholding or deduction for such taxes.
- (ii) If the Issuer would on the next payment of principal or interest in respect of the Notes or Coupons be prevented by French law from making payment to the Noteholders or, if applicable, Couponholders of the full amounts then due and payable, notwithstanding the undertaking to pay Additional Amounts contained in Condition 8 below, then the Issuer, shall forthwith give notice of such fact to the Fiscal Agent and the Issuer shall upon giving not less than seven (7) days' prior notice to the Noteholders in accordance with Condition 15, redeem all, but not some only, of the Notes then outstanding at their Redemption Amount together with any interest accrued to the date set for redemption (including, where applicable, any arrears of interest) on the latest practicable Interest Payment Date on which the Issuer could make payment of the full amount then due and payable in respect of the Notes or, if applicable, Coupons, or, if that date is passed, as soon as practicable thereafter.

- (h) **Purchases:** The Issuer shall have the right at all times to purchase Notes (provided that, in the case of Materialised Notes, all unmaturing Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price subject to the applicable laws and regulations. Unless the possibility of holding and reselling is expressly excluded in the relevant Final Terms, all Notes so purchased by the Issuer may be held and resold in accordance with applicable laws and regulations for the purpose of enhancing the liquidity of the Notes.

- (i) **Clean-Up Call Option:** If a Clean-up Call Option is specified in the relevant Final Terms and if a percentage specified in the relevant Final Terms (the "**Clean-up Percentage**") of the initial

aggregate nominal amount of Notes of the same Series (including any further Notes issued pursuant to Condition 14) have been redeemed or purchased by, or on behalf of, the Issuer and cancelled, the Issuer may, on giving not less than fifteen (15) nor more than thirty (30) days' irrevocable notice in accordance with Condition 15 to the Noteholders redeem the Notes, in whole but not in part, at the Early Redemption Amount (as specified in the relevant Final Terms) together with interest accrued to, but excluding, the date fixed for redemption.

- (j) **Cancellation:** All Notes purchased for cancellation by or on behalf of the Issuer will forthwith be cancelled, in the case of Dematerialised Notes, by transfer to an account in accordance with the rules and procedures of Euroclear France and, in the case of Materialised Bearer Notes, by surrendering the Temporary Global Certificate and the Definitive Materialised Bearer Notes in question together with all unmatured Coupons and all unexchanged Talons to the Fiscal Agent and, in each case, if so transferred or surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with, in the case of Dematerialised Notes, all rights relating to payment of interest and other amounts relating to such Dematerialised Notes and, in the case of Materialised Notes, all unmatured Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so cancelled or, where applicable, transferred or surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.
- (k) **Illegality:** If, by reason of any change in, or any change in the official application of French law becoming effective after the Issue Date, it will become unlawful for the Issuer to perform or comply with one or more of its obligations under the Notes, the Issuer will, subject to having given not more than forty-five (45) nor less than thirty (30) days' notice to the Noteholders (which notice shall be irrevocable), in accordance with Condition 15, redeem all, but not some only, of the Notes at their Early Redemption Amount together with any interest accrued to the date set for redemption (including, where applicable, any arrears of interest).
- (l) **Redemption or repurchase at the option of the Noteholders in case of Change of Control:**

If a Put Option in case of Change of Control (as defined below) is specified in the relevant Final Terms, and if a Put Event (as defined below) occurs, each Noteholder will have the option to require the Issuer to redeem, or procure purchase for, all or part of the Notes held by such Noteholder on the Put Date (as defined below) at their principal amount together with interest accrued up to but excluding such date of redemption or repurchase. Such option (the "**Put Option in case of Change of Control**") shall operate as set out below.

- (A) A "**Put Event**" will be deemed to occur if:
- (i) Any person or group of persons acting in concert or any person or persons acting on behalf of any such person(s) (other than a Permitted Holding Company) (the "**Relevant Persons**") (a) acquires directly or indirectly more than fifty (50) per cent. of the total voting rights or of the issued ordinary share capital of the Issuer (or any successor entity), (b) acquires directly or indirectly a number of shares in the ordinary share capital of the Issuer carrying more than forty (40) per cent. of the voting rights exercisable in general meetings of the Issuer and no other shareholder of such entity, directly or indirectly, acting alone or in concert with others, holds a number of shares carrying a percentage of the voting rights exercisable in such general meetings which is higher than the percentage of voting rights attached to the number of shares held directly or indirectly by such Relevant Person(s) (any such event being a "**Change of Control**"); and
- (ii) on the date notified to the Noteholders by the Issuer in accordance with Condition 15 (the "**Relevant Announcement Date**") that is the earlier of (x) the date of the



first public announcement of the Change of Control; and (y) the date of the earliest Relevant Potential Change of Control Announcement, either the Notes or the senior unsecured long-term debt of the Issuer carries from any Rating Agency:

- (x) an investment grade credit rating (Baa3, or equivalent, or better), and such rating from any Rating Agency is, within the Change of Control Period either downgraded to a non-investment grade credit rating (Ba1, or equivalent, or worse) or withdrawn and is not, within the Change of Control Period subsequently (in the case of a downgrade) upgraded or (in the case of a withdrawal) reinstated to an investment grade credit rating by such Rating Agency; or
- (y) a non-investment grade credit rating (Ba1, or equivalent, or worse), and such rating from any Rating Agency is within the Change of Control Period either downgraded by one or more notches (for illustration, Ba1 to Ba2 being one notch) or withdrawn and is not within the Change of Control Period subsequently (in the case of a downgrade) upgraded or (in the case of a withdrawal) reinstated to its earlier credit rating or better by such Rating Agency;

provided that, for the avoidance of doubt,

1. any such decision of the relevant Rating Agency referred to in (x) or (y) above shall not be deemed to have occurred in respect of a particular Change of Control if such Rating Agency does not publicly announce or confirm that such decision was the result, in whole or in part, of any event or circumstance comprised in or arising as a result of, or in respect of, the applicable Change of Control; and
  2. if at the time of the occurrence of a Change of Control neither the Notes nor the senior unsecured long-term debt of the Issuer is rated by a Rating Agency, and no Rating Agency assigns within the Change of Control Period an investment grade rating to the Notes, a Put Event will be deemed to have occurred.
- (B) Promptly upon the Issuer becoming aware that a Put Event has occurred the Issuer shall give notice (a “**Put Event Notice**”) to the Noteholders in accordance with Condition 15 specifying the nature of the Put Event, the circumstances giving rise to it and the procedure for exercising the option contained in this Condition.
- (C) To exercise the Put Option in case of Change of Control to require redemption or repurchase of the Notes, any Noteholder must transfer or cause to be transferred the Notes to be so redeemed or repurchased to the account of any Paying Agent and deliver to the Issuer a duly completed redemption or repurchase notice in writing (a “**Change of Control Put Notice**”), in which such Noteholder will specify a bank account to which payment is to be made under this paragraph, within the period (the “**Put Period**”) of forty-five (45) days after a Put Event Notice is given (except where (i) the Noteholder gives the Issuer written notice of the occurrence of a Put Event of which it is aware and (ii) the Issuer fails to give a Put Event Notice to the Noteholders by close of business of the third (3<sup>rd</sup>) Business Day after the receipt of such notice from the Noteholder, in which case the Put Period will start from such third (3<sup>rd</sup>) Business Day and will end on the day falling forty-five (45) days thereafter).

A Change of Control Put Notice once given shall be irrevocable. The Issuer shall redeem, or procure purchase for, the Notes in respect of which the Put Option in case of Change of Control has been validly exercised as provided above and subject to the transfer of the Notes, on the date which is the fifth (5<sup>th</sup>) Business Day following the end of the Put Period (the “**Put Date**”). Payment in respect of such Notes will be made by transfer to the bank account specified in the Change of Control Put Notice.

(D) For the purposes of this Condition:

“**Change of Control Period**” means the period commencing on the Relevant Announcement Date, and ending one hundred eighty (180) days (inclusive) after the occurrence of the relevant Change of Control (or such longer period for which the Notes or the senior unsecured long-term debt of the Issuer are under consideration (such consideration having been announced publicly within the period ending one hundred twenty (120) days after the occurrence of the relevant Change of Control) for rating review or, as the case may be, for rating by, a Rating Agency, such period not to exceed sixty (60) days after the public announcement of such consideration);

“**Permitted Holding Company**” means ENGIE (formerly GDF Suez) or any company or other legal entity whose share capital (or equivalent) and associated voting rights are controlled (within the meaning of Article L.233-3 of the French *Code de commerce*) by ENGIE, and any successor to each of ENGIE or any such company or other legal entity;

“**Rating Agency**” means any of the following: Moody’s Investors Service Limited, any other rating agency of equivalent international standing requested from time to time by the Issuer to grant a rating to the Issuer and/or the Notes and in each case, any of their respective successors to the rating business thereof; and

“**Relevant Potential Change of Control Announcement**” means any public announcement or statement by the Issuer or any Relevant Person relating to any potential Change of Control.

## 7. PAYMENTS AND TALONS

- (a) **Dematerialised Notes:** Payments of principal and interest (including, for the avoidance of doubt, any arrears of interest, where applicable) in respect of Dematerialised Notes shall (in the case of Dematerialised Notes issued in bearer form or administered registered form) be made by transfer to the account denominated in the relevant currency of the relevant Euroclear France Account Holders for the benefit of the Noteholders or (in the case of Dematerialised Notes issued in fully registered form) to an account denominated in the relevant currency with a Bank (as defined below) designated by the Noteholders. All payments validly made to such Euroclear France Account Holders will be an effective discharge of the Issuer in respect of such payments.
- (b) **Materialised Bearer Notes:** Payments of principal and interest (including, for the avoidance of doubt, any arrears of interest, where applicable) in respect of Materialised Bearer Notes shall, subject as mentioned below, be made against presentation and surrender of the relevant Materialised Bearer Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 7(f)(v)) or Coupons (in the case of interest, save as specified in Condition 7(f)(v)), as the case may be, at the specified office of any Paying Agent outside the United States by a cheque payable in the relevant currency drawn on, or, at the option of the Noteholder, by transfer to an account denominated in such currency with, a Bank. No payments in respect of Materialised Bearer Notes shall be made by transfer to an account in, or mailed to an address in, the United States.

“**Bank**” means a bank in the principal financial centre for such currency or, in the case of euro, in a city in which banks have access to the TARGET System.

- (c) **Payments in the United States:** Notwithstanding the foregoing, if any Materialised Bearer Notes are denominated in U.S. Dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have 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, (ii) 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 (iii) such payment is then permitted by U.S. law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.
- (d) **Payments Subject to Fiscal Laws:** All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives in the place of payment but without prejudice to the provisions of Condition 8. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.
- (e) **Appointment of Agents:** The Fiscal Agent, the Paying Agents, the Calculation Agent, the Registration Agent, the Redenomination Agent and the Consolidation Agent initially appointed under the Agency Agreement and their respective specified offices are listed below. The Fiscal Agent, the Paying Agents, the Registration Agent, the Redenomination Agent and the Consolidation Agent act solely as agents of each Issuer and the Calculation Agent(s) act(s) as independent experts(s) and, in each case such, do not assume any obligation or relationship of agency for any Noteholder or Couponholder. The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent, any other Paying Agent, the Registration Agent, the Redenomination Agent and the Consolidation Agent or the Calculation Agent(s) and to appoint additional or other Paying Agents, provided that the Issuer shall at all times maintain (i) a Fiscal Agent, (ii) one or more Calculation Agent(s) where the Conditions so require, (iii) a Redenomination Agent and a Consolidation Agent where the Conditions so require, (iv) in the case of Dematerialised Notes in fully registered form a Registration Agent, (v) Paying Agents having specified offices in at least two major European cities and (vi) such other agents as may be required by the rules of any other stock exchange on which the Notes may be listed.

In addition, the Issuer shall forthwith appoint a Paying Agent in New York City in respect of any Materialised Bearer Notes denominated in U.S. Dollars in the circumstances described in paragraph (c) above.

On a redenomination of the Notes of any Series pursuant to Condition 1(e) with a view to consolidating such Notes with one or more other Series of Notes, in accordance with Condition 14, the Issuer shall ensure that the same entity shall be appointed as both Redenomination Agent and Consolidation Agent in respect of both such Notes and such other Series of Notes to be so consolidated with such Notes.

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders in accordance with Condition 15.

- (f) **Unmatured Coupons and unexchanged Talons:**
  - (i) Unless Materialised Bearer Notes provide that the relative Coupons are to become void upon the due date for redemption of those Notes, Materialised Bearer Notes should be surrendered for payment together with all unexpired Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unexpired Coupon (together, where

applicable, with the amount of any arrears of interest corresponding to such Coupon) (or, in the case of payment not being made in full, that proportion of the amount of such missing unmatured Coupon (together, where applicable, with the amount of any arrears of interest corresponding to such Coupon) that the sum of principal so paid bears to the total principal due) shall be deducted from the Final Redemption Amount, Amortised Nominal Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, due for payment. Any amount so deducted shall be paid in the manner mentioned above against surrender of such missing Coupon within a period of ten (10) years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 10).

- (ii) If Materialised Bearer Notes so provide, upon the due date for redemption of any such Materialised Bearer Note, unmatured Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.
  - (iii) Upon the due date for redemption of any Materialised Bearer Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
  - (iv) Where any Materialised Bearer Note that provides that the relative unmatured Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unmatured Coupons, and where any such Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.
  - (v) If the due date for redemption of any Materialised Bearer Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, (including, for the avoidance of doubt, any arrears of interest if applicable) shall only be payable against presentation (and surrender if appropriate) of the relevant Definitive Materialised Bearer Note. Interest accrued on a Materialised Bearer Note that only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Materialised Bearer Notes.
- (g) **Talons:** On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Materialised Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Fiscal Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 10).
- (h) **Non-Business Days:** If any date for payment in respect of any Note or Coupon is not a business day, the Noteholder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this paragraph, “**business day**” means a day (other than a Saturday or a Sunday) (A) (i) in the case of Dematerialised Notes, on which Euroclear France is open for business or (ii) in the case of Materialised Notes, on which banks and foreign exchange markets are open for business in the relevant place of presentation, (B) on which banks and foreign exchange markets are open for business in such jurisdictions as shall be specified as “**Financial Centres**” in the relevant Final Terms and (C) (i) in the case of a payment in a currency other than euro, where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency or (ii) in the case of a payment in euro, which is a TARGET Business Day.

- (i) **Payment of U.S. Dollar Equivalent or Euro Equivalent:** Notwithstanding any other provision in these Conditions, if an Inconvertibility, Non-Transferability or Illiquidity occurs or if Renminbi is otherwise not available to the Issuer as a result of circumstances beyond its control and such unavailability has been confirmed by a Renminbi Dealer, following which the Issuer is unable to satisfy payments of principal or interest (in whole or in part) in respect of RMB Notes, the Issuer on giving not less than five (5) nor more than thirty (30)-days irrevocable notice to the Noteholders prior to the due date for payment, may settle any such payment (in whole or in part) in U.S. dollars or (if so specified in the relevant Final Terms) in Euro on the due date at the U.S. Dollar Equivalent (or the Euro Equivalent as the case may be) of any such Renminbi denominated amount.

In such event, payments of the U.S. Dollar Equivalent (or Euro Equivalent as the case may be) of the relevant principal or interest in respect of the Notes shall be made by transfer to the U.S. dollar (or Euro) account of the relevant account holders for the benefit of the Noteholders. For the avoidance of doubt, no such payment of the U.S. Dollar Equivalent (or Euro Equivalent as the case may be) shall by itself constitute a default in payment within the meaning of Condition 9.

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 7(i) by the RMB Rate Calculation Agent, will (in the absence of manifest error) be binding on the Issuer, the Agents and all Noteholders.

For the purposes of this Condition 7:

“**Euro Equivalent**” means the relevant Renminbi amount converted into Euros using the RMB Spot Rate for the relevant RMB Rate Calculation Date, as calculated by the RMB Rate Calculation Agent.

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

“**Illiquidity**” means that the general Renminbi exchange market in Hong Kong becomes illiquid, other than as a result of an event of Inconvertibility or Non-Transferability, as determined by the Issuer in good faith and in a commercially reasonable manner following consultation with two Renminbi Dealers.

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

“**Non-Transferability**” means the occurrence of any event that makes it impossible for the Issuer to deliver Renminbi between accounts inside Hong Kong or from an account inside Hong Kong to an account outside Hong Kong, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation).

“**Renminbi Dealer**” means an independent foreign exchange dealer of international repute active in the Renminbi exchange market in Hong Kong reasonably selected by the Issuer.

“**RMB Note**” means a Note denominated in Renminbi.

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

“**RMB Rate Calculation Business Day**” means a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange) in Hong Kong and in New York City (in the case of payment of the U.S. Dollar Equivalent) or Paris (in the case of payment of the Euro Equivalent).

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

“**RMB Spot Rate**” for a RMB Rate Calculation Date means the spot CNY/U.S. dollar exchange rate for the purchase of U.S. dollars with CNY in the over-the-counter CNY exchange market in Hong Kong for settlement on the relevant due date for payment, or as the case may be, the spot CNY/EUR exchange rate for the purchase of Euros with CNY in the over-the-counter CNY exchange market in Hong Kong for settlement on the relevant due date for payment, as determined by the RMB Rate Calculation Agent at or around 11 a.m. (Hong Kong time) on such RMB Rate Calculation Date, on a deliverable basis by reference to Reuters Screen Page TRADNDF. If such rate is not available, the RMB Rate Calculation Agent will determine the RMB Spot Rate at or around 11 a.m. (Hong Kong time) on the RMB Rate Calculation Date as the most recently available CNY/U.S. dollar or as the case may be CNY/EUR official fixing rate for settlement on the relevant due date for payment reported by The State Administration of Foreign Exchange of the PRC, which is reported on the Reuters Screen Page CNY=SAEC. If no CNY/EUR official fixing rate is available on the Reuters Screen Page CNY=SAEC on the RMB Rate Calculation Date, the RMB Rate Calculation Agent will determine the RMB Spot Rate as soon as possible using the latest available CNY/U.S. dollar fixing rate and then the latest U.S. dollar/EUR official fixing rate available on a Reuters Screen Page selected by the RMB Rate Calculation Agent.

Reference to a page on the Reuters Screen means the display page so designated on the Reuter Monitor Money Rates Service (or any successor service) or such other page as may replace that page for the purpose of displaying a comparable currency exchange rate.

“**U.S. Dollar Equivalent**” means the relevant Renminbi amount converted into U.S. dollars using the RMB Spot Rate for the relevant RMB Rate Calculation Date, as calculated by the RMB Rate Calculation Agent.

## 8. TAXATION

- (a) **Withholding tax:** All payments of principal, interest and other assimilated revenues by or on behalf of the Issuer in respect of the Notes or Coupons shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by any jurisdiction or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law.
- (b) **Additional amounts:** If French law should require that payments of principal, interest or other assimilated revenues made by the Issuer in respect of any Note or Coupon be subject to withholding or deduction in respect of any present or future taxes, duties, assessments or governmental charges of whatever nature, the Issuer, will, to the fullest extent then permitted by law, pay such additional amounts (“**Additional Amounts**”) as shall result in receipt by the Noteholders or, if applicable, the Couponholders, as the case may be, of such amounts as would have been received by them had no such withholding or deduction been required, except that no such Additional Amounts shall be payable with respect to any Note or Coupon, as the case may be:

- (i) **Other connection:** to, or to a third party on behalf of, a Noteholder or Couponholder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of his having some connection with France other than the mere holding of the Note or Coupon; or
- (ii) **Presentation more than thirty (30) days after the Relevant Date:** in respect of Materialised Notes, more than thirty (30) days after the Relevant Date except to the extent that the Noteholder or Couponholder would have been entitled to such Additional Amounts on presenting it for payment on the thirtieth (30<sup>th</sup>) such day.

As used in these Conditions, “**Relevant Date**” in respect of any Note or Coupon means the date on which payment in respect of it first becomes due (and, for the avoidance of doubt, in the case of arrears of interest, references to “**becomes due**” shall be interpreted in accordance with the provisions of Condition 5(g)) or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or, in the case of Materialised Notes (if earlier) the date seven (7) days after that on which notice is duly given to the Noteholders that, upon further presentation of the Note or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation. References in these Conditions 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, Amortised Nominal Amounts and all other amounts in the nature of principal payable pursuant to Condition 6 or any amendment or supplement to it, (ii) “**interest**” shall be deemed to include all Interest Amounts and all other amounts (including, for the avoidance of doubt, all arrears of interest) payable pursuant to Condition 5 or any amendment or supplement to it and (iii) “**principal**” and/or “**interest**” shall be deemed to include any Additional Amounts that may be payable under this Condition.

## 9. EVENTS OF DEFAULT

Any Noteholder may give written notice to the Fiscal Agent effective upon the date of receipt thereof by the Fiscal Agent and unless all defaults shall have been remedied, that all the Notes held by such Noteholder become immediately due and payable, whereupon such Notes shall become immediately due and payable at their principal amount, plus accrued interest without any other formality, if any of the following events (each, an “**Event of Default**”) occurs:

- (i) the Issuer defaults in any payment when due of principal or interest on any Note (including the payment of any Additional Amounts pursuant to the provisions set forth under “**Taxation**” above) and such default shall not have been cured within fifteen (15) days; or
- (ii) there is a default by the Issuer in the due performance of any other provision of the Notes, and such default shall not have been cured within thirty (30) days after receipt by the Fiscal Agent of written notice of default given to the Fiscal Agent by the Noteholder; or
- (iii) the Issuer and/or any of its Material Subsidiaries (i) shall fail to make one or more payments when due or within any applicable grace period on any indebtedness for money borrowed or guarantee of the indebtedness for money borrowed of another party in an aggregate principal amount of at least Euro 100,000,000 (or, in each case, the equivalent in another currency) and (ii) (other than where the due date for such defaulted payment is the stated maturity) such indebtedness shall have been accelerated; or
- (iv) the Issuer or any of its Material Subsidiaries is subject to a judgment rendered for its judicial liquidation (*liquidation judiciaire*) or for a transfer of the whole or part of the business (*cession totale ou partielle de l’entreprise*); or

- (v) any Material Subsidiary of the Issuer not established in France is adjudicated or found bankrupt or insolvent or ceases payment or is found unable to pay its debts or any order is made by any competent court or administrative agency for, or a resolution is passed by it for, judicial composition proceedings with its creditors or for the appointment of a receiver or trustee or other similar official in insolvency proceedings in relation to it or any event occurs which under the law of any relevant jurisdiction has an analogous or equivalent effect; or
- (vi) the Issuer and/or any of its Material Subsidiaries sells or otherwise disposes of all or substantially all of its assets or ceases or threatens to cease to carry on the whole of its business or substantially the whole of its business or an order is made or an effective resolution passed for its winding-up, dissolution or liquidation, unless such winding-up, dissolution, liquidation, cessation or disposal is made in connection with a merger, consolidation, reconstruction, amalgamation or other form of combination (a “**Restructuring**”) with or to, any other corporation and (i) in the case of the Issuer, the liabilities under the Notes are transferred to and assumed by such other corporation and the credit rating assigned by any Rating Agency to the long-term, unsecured and unsubordinated indebtedness of the surviving entity of such Restructuring following such Restructuring is not less than the credit rating assigned by any such credit rating agency to the long-term, unsecured and unsubordinated indebtedness of the Issuer immediately prior to the effective date of such Restructuring, or (ii) in the case of the Issuer or any Material Subsidiary, the undertaking and assets of the Issuer or such Material Subsidiary are vested in the Issuer or any of its Subsidiaries.

## 10. PRESCRIPTION

Claims against the Issuer for payment in respect of the Notes and Coupons (which for this purpose shall not include Talons) shall be prescribed and become void unless made within ten (10) years (in the case of principal) or five (5) years (in the case of interest) from the appropriate Relevant Date in respect of them.

## 11. MEETING AND VOTING PROVISIONS

### (i) Interpretation

In this Condition:

- (A) references to a “**General Meeting**” are to a general meeting of Noteholders of all Tranches of a single Series of Notes and include, unless the context otherwise requires, any adjourned meeting thereof;
- (B) references to “**Notes**” and “**Noteholders**” are only to the Notes of the Series in respect of which a General Meeting has been, or is to be, called, and to the Notes of the Series in respect of which a Written Resolution has been, or is to be sought, and to the holders of those Notes (excluding, for the avoidance of doubt, the Issuer), respectively;
- (C) “**outstanding**” has the meaning ascribed to it in Condition 4 above;
- (D) “**Resolution**” means a resolution on any of the matters described in paragraph (iv) below passed (x) at a General Meeting in accordance with the quorum and voting rules described in paragraph (iv) below or (y) by a Written Resolution;
- (E) “**Electronic Consent**” has the meaning set out in paragraph (vi) (A) below; and



- (F) “**Written Resolution**” means a resolution in writing signed or approved by or on behalf of the holders of not less than seventy five (75) per cent. in nominal amount of the Notes outstanding. References to a Written Resolution include, unless the context otherwise requires, a resolution approved by Electronic Consent.

**(ii) General**

Pursuant to Article L. 213-6-3 I of the French *Code monétaire et financier*:

(a) the Noteholders shall not be grouped in a *masse* having separate legal personality and acting in part through a representative of the noteholders (*représentant de la masse*) and through general meetings; however,

(b) Articles L. 228-46-1, L. 228-57, L. 228-58, L. 228-59, L. 228-60, L. 228-60-1, L. 228-61 (with the exception of the first paragraph thereof), L. 228-65 (with the exception of Article L. 228-65 I 1°, Article L. 228-65 I 3° and the second sentence of Article L. 228-65 II), L. 228-66, L. 228-67, L. 228-68, L. 228-69, L. 228-71 (with the exception of the second sentence of the first paragraph and the second paragraph thereof), L. 228-72, L. 228-73 (with the exception of the third paragraph thereof), L. 228-76, L. 228-88, R.228-61, R. 228-65, R. 228-66, R. 228-67, R. 228-68, R. 228-69, R. 228-70, R. 228-71, R. 228-72, R. 228-73, R. 228-74, R. 228-75, R. 228-76, R. 228-79 and R. 236-11 of the French *Code de commerce* relating to general meetings of noteholders shall apply to the General Meetings, provided however that whenever the words “*de la masse*”, “*d’une même masse*”, “*par les représentants de la masse*”, “*d’une masse*”, “*et au représentant de la masse*”, “*de la masse intéressée*”, “*composant la masse*”, “*de la masse à laquelle il appartient*”, “*dont la masse est convoquée en assemblée*” or “*par un représentant de la masse*”, appear in those provisions, they shall be deemed to be deleted, and subject to the following provisions of this Condition 11.

**(iii) General Meeting**

A General Meeting may be held at any time, on convocation by the Issuer. One or more Noteholders, holding together at least one-thirtieth of the principal amount of the Notes outstanding, may address to the Issuer a demand for convocation of the General Meeting. If such General Meeting has not been convened within two (2) months after such demand, the Noteholders may commission one of their members to petition a competent court in Nanterre to appoint an agent (*mandataire*) who will call the General Meeting.

Notice of the date, hour, place and agenda of any General Meeting will be published as provided under Condition 15 not less than fifteen (15) days prior to the date of such General Meeting. Each Noteholder has the right to participate in a General Meeting in person, by proxy, by correspondence or by videoconference or by any other means of telecommunication allowing the identification of participating Noteholders.

Each Note carries the right to one vote or, in the case of Notes issued with more than one Specified Denomination, one vote in respect of each multiple of the lowest Specified Denomination comprised in the principal amount of the Specified Denomination of such Note.

For the avoidance of doubt, the General Meeting may appoint a nominee to file a proof of claim in the name of all Noteholders in the event of judicial reorganisation procedure or judicial liquidation of the Issuer. Failing such appointment of a nominee, the judicial representative (*mandataire judiciaire*), at its own initiative or at the request of any

Noteholder will ask the court to appoint a representative of the Noteholders who will file the proof of Noteholders' claim.

**(iv) Powers of the General Meetings**

The General Meeting may act with respect to any matter that relates to the common rights, actions and benefits which now or in the future may accrue with respect to the Notes.

For the avoidance of doubt, each Noteholder is entitled to bring a legal action against the Issuer for the defence of its own interests; such a legal action does not require the authorisation of the General Meeting.

The General Meeting may further deliberate on any proposal relating to the modification of the Conditions including any proposal, whether for arbitration or settlement, relating to rights in controversy or which were the subject of judicial decisions, it being specified, however, that the General Meeting may not increase the liabilities (*charges*) of the Noteholders, nor establish any unequal treatment between the Noteholders, nor to decide to convert Notes into shares.

General Meetings may deliberate validly on first convocation only if Noteholders present or represented hold at least one fifth of the principal amount of the Notes then outstanding. On second convocation, no quorum shall be required. Decisions at meetings shall be taken by a simple majority of votes cast by Noteholders attending such General Meetings or represented thereat.

In accordance with Article R.228-71 of the French *Code de commerce*, the right of each Noteholder to participate in General Meetings will be evidenced by the entries in the books of the relevant account holder of the name of such Noteholder as of 0:00, Paris time, on the second (2<sup>nd</sup>) business day in Paris preceding the date set for the meeting of the relevant general assembly.

Decisions of General Meetings must be published in accordance with the provisions set forth in Condition 15.

**(v) Chairman**

The Noteholders present at a General Meeting shall choose one of their number to be chairman (the "**Chairman**") by a simple majority of votes present or represented at such General Meeting (notwithstanding the absence of a quorum at the time of such vote). If the Noteholders fail to designate a Chairman, the Noteholder holding or representing the highest number of Notes and present at such meeting shall be appointed Chairman, failing which the Issuer may appoint a Chairman. The Chairman of an adjourned meeting need not be the same person as the Chairman of the original meeting from which the adjournment took place.

**(vi) Written Resolution and Electronic Consent**

- (A)** Pursuant to Article L. 228-46-1 of the French *Code de commerce*, in respect of any Series of Dematerialised Notes only, the Issuer shall be entitled, in lieu of convening a General Meeting, to seek approval of a resolution from the Noteholders by way of a Written Resolution. Subject to the following sentence a Written Resolution may be contained in one document or in several documents in like form, each signed by or on behalf of one or more of the Noteholders. Pursuant to Articles L. 228-46-1 and R. 225-97 of the French *Code de commerce* approval of a Written Resolution may also be given by way of

electronic communication allowing the identification of Noteholders (“**Electronic Consent**”).

(B) Notice seeking the approval of a Written Resolution (including by way of Electronic Consent) will be published as provided under Condition 15 not less than 15 calendar days prior to the date fixed for the passing of such Written Resolution (the “**Written Resolution Date**”). Notices seeking the approval of a Written Resolution will contain the conditions of form and time-limits to be complied with by the Noteholders who wish to express their approval or rejection of such proposed Written Resolution. Noteholders expressing their approval or rejection before the Written Resolution Date will undertake not to dispose of their Notes until after the Written Resolution Date.

(vii) **Effect of Resolutions**

A resolution passed at a General Meeting, and a Written Resolution or an Electronic Consent, shall be binding on all Noteholders, whether or not present at the General Meeting and whether or not, in the case of a Written Resolution or an Electronic Consent, they have participated in such Written Resolution or Electronic Consent and each of them shall be bound to give effect to the resolution accordingly.

(viii) **Information to Noteholders**

Each Noteholder will have the right, during the 15-day period preceding the holding of each General Meeting and Written Resolution Date, to consult or make a copy of the text of the resolutions which will be proposed and of the reports which will be presented at the General Meeting, all of which will be available for inspection by the relevant Noteholders at the registered office of the Issuer, at the specified offices of any of the Paying Agents and at any other place specified in the notice of the General Meeting or the Written Resolution.

(ix) **Expenses**

The Issuer will pay all expenses relating to the calling and holding of General Meetings and seeking of a Written Resolution and, more generally, all administrative expenses resolved upon by the General Meeting or in writing by the Noteholders, it being expressly stipulated that no expenses may be imputed against interest payable under the Notes.

**12. MODIFICATIONS**

These Conditions may be completed in relation to any Series of Notes by the terms of the relevant Final Terms in relation to such Series.

**13. REPLACEMENT OF DEFINITIVE NOTES, COUPONS AND TALONS**

If, in the case of any Materialised Bearer Notes, a Definitive Materialised Bearer Note, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and Regulated Market or other stock exchange regulations, at the specified office of the Fiscal Agent or such other Paying Agent as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, inter alia, that if the allegedly lost, stolen or destroyed Definitive Materialised Bearer Note, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Definitive Materialised Bearer Notes, Coupons or

further Coupons) and otherwise as the Issuer may require. Mutilated or defaced Materialised Bearer Notes, Coupons or Talons must be surrendered before replacements will be issued.

#### 14. FURTHER ISSUES AND CONSOLIDATION

- (a) **Further Issues:** The Issuer may, with prior approval of the Redenomination and Consolidation Agents from time to time without the consent of the Noteholders or Couponholders create and issue further Notes to be assimilated (*assimilées*) with the Notes provided such Notes and the further Notes carry rights identical in all respects (or identical in all respects save for the issue date, issue price and first payment of interest) and that the terms of such Notes provide for such assimilation and references in these Conditions to “Notes” shall be construed accordingly.
- (b) **Consolidation:** The Issuer, if so specified in the applicable Final Terms, with the prior approval of the Consolidation Agent, may from time to time on any Interest Payment Date occurring on or after the Redenomination Date on giving not less than thirty (30) days’ prior notice to the Noteholders in accordance with Condition 15, without the consent of the Noteholders or Couponholders, consolidate the Notes of one Series with the Notes of one or more other Series issued by it, whether or not originally issued in one of the European national currencies or in euro, provided such other Notes have been redenominated in Euro (if not originally denominated in euro) and which otherwise have, in respect of all periods subsequent to such consolidation, the same terms and conditions as the Notes.

#### 15. NOTICES

- (a) Notices to the holders of Dematerialised Notes in registered form (*au nominatif*) shall be valid if either, (i) they are mailed to them at their respective addresses, in which case they will be deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the mailing, or, (ii) at the option of the Issuer, they are published (a) as long as such Notes are admitted to trading on Euronext Paris, in a daily leading newspaper of general circulation in France (which is expected to be *Les Echos*), or (b) they are published in a leading daily newspaper of general circulation in Europe (which is expected to be the *Financial Times*), or (c) they are published in accordance with Articles 221-3 and 221-4 of the General Regulations (*Règlement Général*) of the AMF and so long as such Notes are listed and admitted to trading on any Regulated Market or other stock exchange and the rules of such Regulated Market or other stock exchange so require, in a leading daily newspaper with general circulation in the city where the Regulated Market on which such Notes are listed and admitted to trading is located and on the website of any other competent authority or Regulated Market of the EEA Member State where the Notes are listed and admitted to trading.
- (b) Notices to the holders of Materialised Bearer Notes and Dematerialised Notes in bearer form (*au porteur*) shall be valid if published (a) so long as such Notes are admitted to trading on Euronext Paris, in a leading daily newspaper of general circulation in France (which is expected to be *Les Echos*), or (b) they are published in a leading daily newspaper of general circulation in Europe (which is expected to be the *Financial Times*) or (c) they are published in accordance with Articles 221-3 and 221-4 of the General Regulations (*Règlement Général*) of the AMF and so long as such Notes are listed and admitted to trading on any Regulated Market or other stock exchange and the rules of such Regulated Market or other stock exchange so require in a leading daily newspaper with general circulation (i) in the city/ies where the Regulated Market(s) or other stock exchange(s) on which such Notes are listed and admitted to trading is located and on the website of any other competent authority or Regulated Market of the EEA Member State where the Notes are listed and admitted to trading.

- (c) If any such publication is not practicable, notice shall be validly given if published in another leading daily English language newspaper with general circulation in Europe. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the date of the first publication. Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Materialised Bearer Notes in accordance with this Condition 15.
- (d) Notices required to be given to the holders of Dematerialised Notes (whether in registered or in bearer form) pursuant to these Conditions may be given by delivery of the relevant notice to Euroclear France, Euroclear, Clearstream and any other depositary or custodian to the operations of which the Notes are admitted in substitution for the mailing and publication of a notice required by Conditions 15(a), (b) and (c) above; except that so long as the Notes are listed and admitted to trading on a Regulated Market or other stock exchange and the rules of such Regulated Market or other stock exchange so require, notices shall also be published in a leading daily newspaper of general circulation in the city where the Regulated Market or other stock exchange on which such Note(s) is/are listed and admitted to trading is located. The Issuer shall be entitled to rely upon notifications made by Euroclear France, Euroclear, Clearstream and any other depositary or custodian to which the Dematerialised Notes are admitted. The Issuer shall not be liable to anyone for such reliance.
- (e) Notices given pursuant to Condition 11 and pursuant to Articles R. 228-79 and R. 236-11 of the French *Code de commerce* shall be given by delivery of the relevant notice to Euroclear France, Euroclear, Clearstream and any other clearing system through which the Notes are for the time being cleared and on the website of the Issuer ([www.suez.com](http://www.suez.com)). For the avoidance of doubt, Conditions 15(a), (b), (c) and (d) shall not apply to such notices.

## 16. NO HARDSHIP

The Issuer and the Noteholders acknowledge and agree that the provisions of Article 1195 of the French *Code civil* shall not apply to these Conditions.

## 17. GOVERNING LAW AND JURISDICTION

- (a) **Governing Law:** The Notes and all non-contractual obligations arising from or connected with the Notes (and, where applicable, the Coupons and the Talons) are governed by, and shall be construed in accordance with, French law.
- (b) **Jurisdiction:** Any claim against the Issuer in connection with any Notes, Coupons or Talons may be brought before any competent court located in Nanterre.

## **TEMPORARY GLOBAL CERTIFICATES ISSUED IN RESPECT OF MATERIALIZED BEARER NOTES**

### **Temporary Global Certificate**

A Temporary Global Certificate, without interest Coupons, will initially be issued in connection with Materialised Bearer Notes. Upon the initial deposit of such Temporary Global Certificate with a common depositary for Euroclear and Clearstream (the “**Common Depositary**”), Euroclear or Clearstream will credit each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid.

The Common Depositary may also (if indicated in the relevant Final Terms) credit the accounts of subscribers with other clearing systems through direct or indirect accounts with Euroclear and Clearstream held by such other clearing systems with a nominal amount of Notes. Conversely, a nominal amount of Notes that is initially deposited with any clearing system other than Euroclear or Clearstream may similarly be credited to the accounts of subscribers with Euroclear or Clearstream or other clearing systems.

### **Exchange**

Each Temporary Global Certificate issued in respect of Materialised Bearer Notes will be exchangeable, free of charge to the holder, on or after its Exchange Date (as defined below):

- (1) if the relevant Final Terms indicates that such Temporary Global Certificate is issued in compliance with the C Rules or in a transaction to which TEFRA is not applicable (as to which, see “**Selling Restrictions**”), in whole, but not in part, for Definitive Materialised Bearer Notes; and
- (2) otherwise, for Definitive Materialised Bearer Notes upon certification in the form set out in the Agency Agreement as to non-U.S. beneficial ownership.

A Noteholder must exchange its share of the Temporary Global Certificate for definitive Materialised Bearer Notes before interest or any amount payable in respect of the Notes will be paid.

### **Delivery of Definitive Materialised Bearer Notes**

On or after its Exchange Date, the holder of the Temporary Global Certificate must surrender such Temporary Global Certificate to or to the order of the Fiscal Agent. In exchange for the Temporary Global Certificate so surrendered, the Issuer will deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated Definitive Materialised Bearer Notes.

In this Base Prospectus, “**Definitive Materialised Bearer Notes**” means, in relation to any Temporary Global Certificate, the definitive Materialised Bearer Notes for which such Temporary Global Certificate may be exchanged (if appropriate, having attached to them all Coupons in respect of interest that have not already been paid on the Temporary Global Certificate and a Talon). Definitive Materialised Bearer Notes will be security printed in accordance with any applicable legal and Regulated Market or stock exchange requirements in, or substantially in, the form set out in the Schedules to the Agency Agreement.

### **Exchange Date**

“**Exchange Date**” means, in relation to a Temporary Global Certificate, the day next succeeding the day that is forty (40) days after its issue date.

## **USE OF PROCEEDS**

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

## **DESCRIPTION OF THE ISSUER**

For a general description of the Issuer, its activities and its financial conditions, please refer to the cross-reference table appearing in Section “Documents incorporated by Reference” on pages 28 to 33 of this Base Prospectus.



## RECENT DEVELOPMENTS

Paris, 17 May 2018

### FIRST-QUARTER 2018 RESULTS FULLY IN LINE WITH ANNUAL TARGETS

#### EUROPEAN ECONOMIC ENVIRONMENT CONTINUES TO IMPROVE

#### WT&S INTEGRATION ACCELERATES WITH STRONG COMMERCIAL MOMENTUM

##### Q1 2018 results<sup>3</sup>:

- Revenue: €4,058m, up +13.8% at constant exchange rates
- EBIT: €289m, up +10.2% at constant exchange rates
- Net debt: €8,817m; net debt / EBITDA ratio at 3.3x<sup>4</sup>

IN MILLIONS OF EUROS	March 31, 2017	31 March, 2018	Organic change	Gross change	Change at constant exchange rates	FX change
Revenue	3,721	<b>4,058</b>	+1.7%	+9.1%	<b>+13.8%</b>	-4.3%
EBITDA	614	<b>635</b>	+2.6%	+3.4%	<b>+8.8%</b>	-4.8%
<i>EBITDA / Revenue</i>	16.5%	<b>15.7%</b>				
EBIT	281	<b>289</b>	+5.5%	+2.8%	<b>+10.2%</b>	-6.5%
<i>EBIT / Revenue</i>	7.5%	<b>7.1%</b>				

▪ In first-quarter 2018, SUEZ posted €4,058m revenue, up 13.9% at constant exchange rates. Momentum in the International division improved with 3.0% growth at constant exchange rates. Recycling and Recovery Europe reported revenue growth of 1.3% at constant exchange rates. This division was bolstered by the sharp improvement in the volume of waste treated (+3.6%) but was negatively affected by the adverse trend in paper and cardboard prices following China's decision to restrict imports. The Water Europe division grew by 1.4% at constant exchange rates, driven by higher water volumes sold in Latin America which offset the lack of inflation in Europe. Water Technologies & Solutions (WT&S) revenue stood at \$611m<sup>5</sup>, up 4%<sup>6</sup>.

▪ EBITDA at end-March 2018 stood at €635m, up 8.8% at constant exchange rates. EBIT rose 10.2% at constant exchange rates, to reach €289m.

▪ Group net financial debt was €8.8bn<sup>7</sup> versus €8.5bn at end-2017, or 3.3 times EBITDA<sup>2</sup>.

<sup>3</sup> Excluding IFRIC 21

<sup>4</sup> Calculated over a 12-month rolling period

<sup>5</sup> €497m

<sup>6</sup> Growth measured relative to estimated Q1 2017 revenue on a like-for-like basis (pro forma)

<sup>7</sup> Of which +€268m of seasonal increase in working capital requirement

**Commenting on the first-quarter 2018 results, Chief Executive Officer Jean-Louis Chaussade said:** “Growth has accelerated at SUEZ in both revenue and profitability. First-quarter financial results are therefore fully in line with our annual targets, which we now reiterate.

Our efforts to integrate and extract synergies within WT&S are already yielding results and confirm the expected value creation path. The operational trends for this division are also well on track. The significant 30% growth in the backlog during the quarter bolsters the business’s growth potential.

Lastly, SUEZ is fully committed to implementing the action plan presented at the start of the year, which is also based on accelerating the Group’s transformation, strengthening profitable growth in France, growing the business internationally and everywhere, and expanding the savings measures.”

**BREAKDOWN OF BUSINESS AT-END MARCH 2018**

<b>REVENUE In millions of euros</b>	<b>March 31, 2017</b>	<b>March 31, 2018</b>	<b>Organic change</b>	<b>Gross change</b>	<b>Change at constant exchange rates</b>	<b>FX change</b>
<b>TOTAL</b>	3,721	<b>4,058</b>	+1.7%	+9.1%	<b>+13.8%</b>	-4.3%
<i>Of which:</i>						
Water Europe	1,131	1,115	+1.4%	-1.4%	<b>+1.4%</b>	-1.3%
Recycling & Recovery Europe	1,530	1,537	+1.4%	+0.5%	<b>+1.3%</b>	-0.7%
International	931	882	+2.8%	-5.3%	<b>+3.0%</b>	-8.3%
Water Technologies & Solutions	108	497	+0.2%	N/A	<b>N/A</b>	N/A
Others	26	27	+2.2%	+2.2%	<b>+2.2%</b>	0.0%

The gross revenue change of +9.1% (+€337m) versus March 30, 2017 breaks down as follows:

▪ **Organic change of +1.7% (+€64m):**

- Water Europe revenue rose 1.4% (+€15m), driven by higher volumes and prices in Chile.
- Recycling and Recovery Europe revenue increased by 1.4% (+€21m), bolstered in particular by the sharp improvement in the volume of waste treated (+3.6%) and by higher prices in the services activities; however, growth was negatively affected by the adverse trend in paper and cardboard prices following China’s decision to restrict imports.
- International revenue improved by 3.0% (+€26m) versus first-quarter 2017. Business activity increased in all regions, with the exception of Africa, Middle East and India; it was notably very strong in the Italy/Central and Eastern Europe region with the implementation of new contracts such as the one in Belgrade.

▪ **Foreign exchange impact of -4.3% (-€159m)**, mainly due to the appreciation of the euro against the US dollar (-€80m), the Australian dollar (-€28m), and the Chilean peso (-€12m).

▪ **Scope effect of +12.1% (+€454m)**, due to the first-time consolidation of GE Water (+€449m).

▪ **WT&S revenue** stood at \$611m (€497m), up 4% relative to pro forma Q1 2017<sup>8</sup>.

<sup>8</sup> Estimated Q1 2017 revenue on a like-for-like basis (pro forma)

**PERFORMANCE BY DIVISION**

**WATER EUROPE**

	March 31, 2017	March 31, 2018	Organic change	Gross change	Change at constant exchange rates	FX change
<b>In millions of euros</b>						
Revenue	1,131	1,115	+1.4%	-1.4%	<b>+1.4%</b>	-1.3%

▪ **Revenue in France was stable at -0.3% (-€1m) on an organic basis.**

Water volumes sold fell by 1.0% relative to end-March 2017, in line with the medium-term trend, while the tariff increases reached +0.7%.

▪ **Revenue in Spain was stable at 0.0% (+€0m) on an organic basis.**

Water volumes sold were relatively stable (-0.3%) due to adverse climate conditions in March. Tariffs increased by 0.7%.

▪ **Revenue in Latin America grew +6.9% (+€17m) on an organic basis.**

Growth in the segment was once again fueled by a 2.8% volume increase in Chile, where the summer was hot and dry, and price hikes of 1.6%, reflecting higher local taxes. The construction contracts in Panama made a positive contribution.

▪ EBIT at constant exchange rates increased in the three segments.

**RECYCLING AND RECOVERY EUROPE**

	March 31, 2017	March 31, 2018	Organic change	Gross change	Change at constant exchange rates	FX change
<b>In millions of euros</b>						
Revenue	1,530	1,537	+1.4%	+0.5%	<b>+1.3%</b>	-0.7%

The Recycling and Recovery Europe division posted **1.4% (+€21m)** organic growth in revenue at end-March 2018. The performance was driven mainly by price hikes in the services activities and an increase in volumes treated (+3.6%). The sharply negative price effect on paper, for which average prices were down **37%** relative to 2017, was partially offset by higher scrap metal prices (+20%).

▪ **Revenue in France was up 3.8% (+€29m) on an organic basis.**

This growth mainly reflects the increase in volumes, scrap metal prices, and prices in the municipal and industrial collection activities.

▪ **Revenue in the United Kingdom/Scandinavia region declined by 2.9% (-€8m) on an organic basis.**

This performance can be attributed to the lower contribution from the construction activities in the United Kingdom, which hurt the region's revenue, and to the closure of the Tilbury treatment site at the end of last year. Volumes incinerated have risen sharply now that the operation of all waste-to-energy plants has been optimized.

▪ **Revenue in the Benelux and Germany region rose +0.9% (+€3m) on an organic basis.**

The services activities benefited from higher prices, in particular in the industrial and commercial segment; however, the sharp drop in paper prices affected growth in this region.

- **Revenue in the Industrial Waste Specialties segment fell 3.2% (-€3m) on an organic basis.**

This performance primarily reflects the postponement of certain soil remediation contracts in France; in contrast, the Chemicals activity remained well on track with sharp growth in volumes treated and all treatment facilities in France and Germany running at full capacity.

- EBIT at constant exchange rates increased in most European countries.

## INTERNATIONAL

In millions of euros	March 31, 2017	March 31, 2018	Organic change	Gross change	Change at constant exchange rates	FX change
Revenue	931	882	+2.8%	-5.3%	<b>+3.0%</b>	-8.3%

- **Revenue in Italy/Central and Eastern Europe was up a very strong 23.3% (+€22m) on an organic basis.** This performance was mainly due to the hazardous waste activities in Czech Republic and progress on construction of the treatment and sludge-to-energy plant in Glina, Romania.

- **Revenue in Australia grew by only 1.0% (+€3m) on an organic basis** due to lower raw materials prices; the rest of the business was in line with our expectations.

- **Revenue in Asia grew 4.3% (+€4m) on an organic basis**, based mainly on price hikes in Macao.

- **Revenue in North America was up 3.1% (+€7m) on an organic basis.** The decrease in water volumes sold (-1%) was offset by tariff increases in the regulated activity and by the development of new unregulated services.

- **Revenue in the Africa/Middle East/India region decreased by 3.4% (-€9m) on an organic basis.**

This performance stemmed from the completion of several major construction projects, including the Barka and Doha West projects. This was only partially offset by the implementation of new contracts, including the one in Sri Lanka. Revenue was also affected by the termination of the municipal collection contract in Casablanca.

- The construction business backlog stood at €1.3bn, stable versus end-2017.

- EBIT at constant exchange rates increased in most geographic segments.

## WATER TECHNOLOGIES & SOLUTIONS

In millions of USD	March 31, 2017 pro forma <sup>9</sup>	March 31, 2018	Gross change
Revenue	588	611	+4%

<sup>9</sup> Estimated Q1 2017 revenue on a like-for-like basis (pro forma)

For the division as a whole, orders rose by 30% compared with the year-ago period, reflecting very strong commercial momentum, in particular for the Engineered Systems segment.

WT&S revenue stood at \$611m (€497m), up 4% relative to pro forma Q1 2017<sup>10</sup>. The Engineered Systems segment benefited from growth in the services activities in North America and Asia, in particular in ultrafiltration and reverse osmosis. The Chemical Monitoring Solutions segment reported organic volume growth of 2%.

The “Value Capture” synergy extraction program is ahead of schedule, as \$22m in synergies has already been secured for 2018 and \$49m for 2019.

EBIT at constant exchange rates was up substantially compared with pro forma Q1 2017<sup>6</sup>.

## OUTLOOK

In light of the additional contribution from new business activities in the “industrial water” sector, the stronger momentum anticipated in the Recycling and Recovery Europe and International divisions, and the new action plan adopted at the start of the year, the Group reiterates the following outlook for 2018:

- Revenue growth at constant exchange rates of c.9%
- Growth in EBIT of c.10% at constant exchange rates before recognition of the impact of purchase price allocation for the acquisition of GE Water<sup>11</sup>
- Free cash flow of c.€1 billion<sup>12</sup>
- Net debt/EBITDA ratio of close to 3x
- A dividend  $\geq$  €0.65 per share in respect of 2018 results<sup>13</sup>

## HIGHLIGHTS

**In the first quarter, SUEZ accelerated its growth by renewing and winning a number of contracts across all its activities and regions.**

In the **Water Europe** division, the **Durance Ventoux Water Authority** chose SUEZ to manage its drinking water service and deploy 57,000 "On'Connect" smart meters in 28 cities.

The **urban community Paris-Saclay** also entrusted the water management for 12 years, with a 15-year water supply agreement. Alongside local teams, SUEZ will preserve the territory's water resources by strengthening the network performance, thanks to AQUADVANCED® solutions.

In the **Recycling and Recovery Europe** division, the Group will manage the public service concession contract in Ardèche (France) for a **new waste-to-energy and material recovery facility**. This new 20-year contract, worth a total of €80m, will include the design, construction and management of this future recovery facility, which is expected to be commissioned in the spring of 2020.

The Group also strengthened its presence in England, in **the county of Devon** when it won the contract to **build a transfer center** and treat 46,000 tons of household waste from two districts, as well as six recycling centers. This 10-year contract worth about €68m may be extended for five years.

**Abroad**, SUEZ also won in the United States, alongside its partners AECOM Technical Services and C.H. Nickerson, **the design and the construction of the drinking water facility in Woonsocket** (Rhode

<sup>10</sup> Estimated Q1 2017 revenue on a like-for-like basis (pro forma)

<sup>11</sup> Excluding the impact of the change in US tax law on regulated water activities, resulting in the transfer of €25 million in income from EBIT to taxable income, which is neutral to net income Group share

<sup>12</sup> Excluding payments associated with the voluntary departure plan in France, with its provisions recognized in 2017, and excluding the GE Water integration costs

<sup>13</sup> Subject to approval by the 2019 Annual General Meeting

Island). This \$43m project is part of the municipality's comprehensive plan to improve its water quality. SUEZ will operate this new water treatment plant for 20 years.

On the same continent, the Group won its first contract in El Salvador to **renovate the Las Pavas drinking water treatment plant** in San Pablo Tacachico and secure the water supply for the population.

In Africa, SUEZ and the Ivory Coast's Ministry of Economic Infrastructure signed a €19m contract **to supply and install 40 compact modular drinking water production units**. With a total production capacity of 92,000 m<sup>3</sup>/day, these units will supply 18 cities across 17 regions.

In Asia, the City of Coimbatore in India also awarded SUEZ **the management and the operation of the drinking water distribution system** for the entire city to ensure a 24/7 supply of water to its 1.6 million inhabitants. This 26-year, nearly €400m project is SUEZ's largest drinking water services management contract in this country.

The Group was awarded the contract for the **extension of the drinking water production plant in Medan**, the third-largest city in Indonesia. The extension of this build-operate-transfer contract for 25 years, worth €191m, provides for the funding, construction, operation and transfer of two additional water production units for the Medan plant.

In Vietnam, the Group just won the **sanitation contract for Vi Thanh**, in the south of the country. This €9.5m contract provides for the construction of a wastewater treatment plant and a sewer network.

#### **The Group also registers good commercial momentum in new businesses.**

As an example, the city of Saint-Etienne, Saint-Etienne Métropole and SUEZ have launched the **“Digital Saint-Etienne”** project. The goal of the data platform is to make daily life easier for the inhabitants (real-time information on the traffic, available parking spaces, recovery and reuse of objects, urban lighting...) and, consequently, to improve quality of life in the city.

Moreover, the Group has joined major projects, including the creation of the **PRAIRIE Institute**<sup>14</sup>, a center of excellence focused on artificial intelligence. In this way, it will continue the development of concrete, innovative, AI-based solutions to support the sustainable resource management in cities and industries.

#### **FORTHCOMING COMMUNICATIONS**

- **May 17, 2018:** Annual General Meeting
- **May 22, 2018:** Ex-dividend<sup>15</sup>
- **May 24, 2018:** Payment of the dividend<sup>6</sup>
- **July 26, 2018:** First-half 2018 results
- **October 30, 2018:** Nine month 2018 results

<sup>14</sup> PaRis Artificial Intelligence Research InstitutE

<sup>15</sup> Sous réserve de l'approbation par l'Assemblée Générale 2018

## APPENDIX

### REVENUE BY REGION

<i>In €m</i>	Q1 2017	Q1 2018	in % of Total	Change
<b>FRANCE</b>	<b>1,234</b>	<b>1,257</b>	<b>31.0%</b>	<b>1.9%</b>
Spain	412	393	9.7%	-4.6%
United Kingdom	239	232	5.7%	-3.2%
Germany	143	151	3.7%	5.6%
Benelux	273	283	7.0%	3.7%
Others Europe	198	250	6.2%	26.0%
<b>EUROPE (excluding France)</b>	<b>1,265</b>	<b>1,308</b>	<b>32.2%</b>	<b>3.4%</b>
North America	254	451	11.1%	77.3%
South America	257	290	7.1%	12.7%
Oceania	297	276	6.8%	-7.1%
Asia	130	189	4.7%	45.3%
Africa	206	212	5.2%	2.9%
Others International	78	75	1.9%	-3.1%
<b>INTERNATIONAL (excluding Europe)</b>	<b>1,222</b>	<b>1,493</b>	<b>36.8%</b>	<b>22.2%</b>
<b>TOTAL</b>	<b>3,721</b>	<b>4,058</b>	<b>100.0%</b>	<b>9.1%</b>

## TAXATION

*The following is an overview of certain tax considerations relating to the holding of the Notes. It does not purport to be a complete analysis of all tax considerations relating to the Notes. This overview is based upon the law in force on the date of this Base Prospectus and is subject to any change in law and/or interpretation thereof that may take effect after such date (potentially with a retroactive effect). Prospective purchasers of Notes should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of Notes and receiving payments of interest, principal and/or other amounts under the Notes and the consequences of such actions under the tax laws of those countries.*

### France

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

*The following may be relevant to Noteholders who do not concurrently hold shares of the Issuer.*

Payments of interest and other assimilated revenues made by the Issuer with respect to Notes will not be subject to the withholding tax set out under Article 125 A III of the French *Code général des impôts* unless such payments are made outside France in a non-cooperative State or territory (*Etat ou territoire non coopératif*) within the meaning of Article 238-0 A of the French *Code général des impôts* (a “**Non-Cooperative State**”). If such payments under the Notes are made outside France in a Non-Cooperative State, a seventy-five (75) per cent. withholding tax will be applicable (subject to certain exceptions and to the more favourable provisions of an applicable double tax treaty) by virtue of Article 125 A III of the French *Code général des impôts*. The seventy-five (75) per cent. withholding tax is applicable irrespective of the tax residence of the holder of the Notes. The list of Non-Cooperative States may be amended at any time (it could possibly further include the EU list of non-cooperative jurisdictions for tax purposes adopted by the Council of the European Union on 5 December 2017, as set forth in the Annex 1 to its conclusions as updated). Furthermore, according to Article 238 A of the French *Code général des impôts*, interest and other assimilated revenues on such Notes will not be deductible from the Issuer's taxable income if they are paid or accrued to persons domiciled or established in a Non-Cooperative State or paid to an account held with a financial institution established in such a Non-Cooperative State (the “**Deductibility Exclusion**”). Under certain conditions, any such non-deductible interest and other assimilated revenues may be recharacterised as constructive dividends pursuant to Articles 109 *et seq.* of the French *Code général des impôts*, in which case such non-deductible interest and other revenues may be subject to the withholding tax set out under Article 119 *bis* 2 of the French *Code général des impôts*, at a rate of (i) twelve point eight (12.8) per cent. for payments benefiting individuals who are not French tax residents, (ii) thirty (30) per cent. (to be aligned on the standard corporate income tax rate set forth in Article 219-I of the French *Code général des impôts* for fiscal years beginning as from 1 January 2020) for payments benefiting legal persons who are not French tax residents or (iii) seventy-five (75) per cent. for payments made outside France in a Non-Cooperative State (subject to certain exceptions and to the more favourable provisions of an applicable double tax treaty).

Notwithstanding the foregoing, neither the seventy-five (75) per cent. withholding tax set out under Article 125 A III of the French *Code général des impôts* nor, to the extent the relevant interest and other assimilated revenues relate to genuine transactions and are not in an abnormal or exaggerated amount, the Deductibility Exclusion and the withholding tax set out under Article 119 *bis* 2 of the French *Code général des impôts* that may be levied as a result of such Deductibility Exclusion will apply in respect of an issue of Notes if the Issuer can prove that the main purpose and effect of such issue of Notes was not that of allowing the payments of interest or other assimilated revenues to be made in a Non-Cooperative State (the “**Exception**”). Pursuant to the *Bulletin Officiel des Finances Publiques - Impôts* BOI-INT-DG-20-50-20140211, BOI-RPPM-RCM-30-10-20-40-20140211 and BOI-IR-DOMIC-10-20-20-60-20150320, an issue of Notes will benefit from the Exception without the Issuer having to provide any proof of the purpose and effect of such issue of Notes, if such Notes are:



- (i) offered by means of a public offer within the meaning of Article L.411.1 of the French *Code monétaire et financier* or pursuant to an equivalent offer in a State other than a Non-Cooperative State. For this purpose, an “**equivalent offer**” means any offer requiring the registration or submission of an offer document by or with a foreign securities market authority; or
- (ii) admitted to trading on a regulated market or on a French or foreign multilateral securities trading system provided that such market or system is not located in a Non-Cooperative State, and the operation of such market is carried out by a market operator or an investment services provider, or by such other similar foreign entity, provided further that such market operator, investment services provider or entity is not located in a Non-Cooperative State; or
- (iii) admitted, at the time of their issue, to the operations of a central depository or of a securities delivery and payments systems operator within the meaning of Article L.561-2 of the French *Code monétaire et financier*, or of one or more similar foreign depositories or operators provided that such depository or operator is not located in a Non-Cooperative State.

#### *Withholding taxes on payments made to individuals fiscally domiciled in France*

Where the paying agent (*établissement payeur*) is established in France, pursuant to Article 125 A I of the French *Code général des impôts* and subject to certain exceptions, interest and other assimilated revenues received by individuals fiscally domiciled (*domiciliés fiscalement*) in France are subject to a 12.8 per cent. withholding tax, which is deductible from their personal income tax liability in respect of the year in which the payment has been made. Social contributions (CSG, CRDS and other related contributions) are also levied by way of withholding at a global rate of 17.2 per cent. on such interest and other assimilated revenues received by individuals fiscally domiciled (*domiciliés fiscalement*) in France.

#### **Luxembourg**

*The following information is of a general nature only and is based on Luxembourg tax laws relating to the Notes as in effect on the date of this Base Prospectus, (which are subject to change, possibly with retroactive effect, and to differing interpretations) and does therefore not purport, nor should it be construed to be legal or tax advice. The information contained within this section is limited to withholding tax issues, and prospective investors should not apply any information set out below to other areas, including (but not limited to) the legality of transactions involving the Notes.*

*Please be aware that the residence concept used in the headings below applies for Luxembourg income tax assessment purposes only. Any reference in the present section to a tax, duty, levy, impost or other charge or withholding of a similar nature refers only to Luxembourg tax law and/or concepts.*

*Prospective investors should consult their own professional advisers on the implications of making an investment in, holding or disposing of Notes and the receipt of interest with respect to such Notes under the state, local or foreign laws of the countries (including Luxembourg tax law) in which they may be liable to taxation.*

### ***Withholding tax***

Under Luxembourg tax law currently in effect and with the exception of interest paid to certain individual Noteholders, there is no Luxembourg withholding tax on payments of interest (including accrued but unpaid interest). There is also no Luxembourg withholding tax, with the exception of payments made to certain individual Noteholders and certain residual entities, upon repayment of principal in case of reimbursement, redemption, repurchase or exchange of the Notes.

#### *Luxembourg non-resident individuals*

Under Luxembourg general tax laws currently in force, there is no withholding tax on payments of principal, premium or interest made to non-resident holders of Notes, nor on accrued but unpaid interest in respect of the Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of the Notes held by non-resident holders of Notes.

#### *Luxembourg resident individuals*

According to the amended Luxembourg law of 23 December 2005 (the “**December 2005 Law**”), payments of interest and other similar income made or ascribed by Luxembourg paying agents to an individual beneficial owner who is a resident of Luxembourg will be subject to a withholding tax of twenty (20) per cent.

Pursuant to the December 2005 Law, Luxembourg resident individuals, acting in the course of the management of his/her private wealth, can opt to self-declare and pay a twenty (20) per cent. levy in full discharge of Luxembourg income tax on interest payments (as such term is defined in the December 2005 Law) made or ascribed by paying agents located in a Member State (other than Luxembourg), a Member State of the European Economic Area (other than a Member State). In such case, the twenty (20) per cent. levy is calculated on the same amounts as for the payments made by Luxembourg paying agents. The option for the twenty (20) per cent. levy must cover all interest payments made by paying agents to the beneficial owner during the entire civil year.

The twenty (20) per cent. withholding tax as described above or the twenty (20) per cent. levy are in full discharge of Luxembourg income tax when Luxembourg resident individuals are acting the context of the management of their private wealth.

An individual holder of Notes acting in the course of the management of a professional or business undertaking must include this interest in its taxable basis. If applicable, the tax levied in accordance with the December 2005 Law will be credited against his/her final tax liability.

Responsibility for the withholding of tax in application of the above mentioned December 2005 Law, as amended, is assumed by the Luxembourg paying agent within the meaning of this law.

### **Hong Kong**

*The statements below regarding taxation are based on the law and practice of Hong Kong at the date of this Base Prospectus and are subject to any subsequent changes in law or practice (which could be made on a retrospective basis). The following statements do not purport to be a comprehensive description of all of the tax considerations that may be relevant to a decision to purchase, own or dispose of the Notes and may not apply equally to all persons. Prospective purchasers of the Notes are advised to consult their own tax advisers concerning the tax consequences of their ownership of the Notes.*

## **Withholding Tax**

No withholding tax is payable in Hong Kong in respect of payments of principal or interest on the Notes or in respect of any capital gains arising from the sale of the Notes.

## **Profits Tax**

Hong Kong profits tax is chargeable on every person carrying on a trade, profession or business in Hong Kong in respect of assessable profits arising in or derived from Hong Kong from such trade, profession or business (excluding profits arising from the sale of capital assets).

Under the Inland Revenue Ordinance (Cap. 112 of the Laws of Hong Kong) (“**Inland Revenue Ordinance**”), as it is currently applied by the Inland Revenue Department of Hong Kong, interest on the Notes may be deemed to be profits arising in or derived from Hong Kong from a trade, profession or business carried on in Hong Kong in the following circumstances:

- (i) interest on the Notes is derived from Hong Kong and is received by or accrues to a corporation carrying on a trade, profession or business in Hong Kong; or
- (ii) interest on the Notes is derived from Hong Kong and is received by or accrues to a person, other than a corporation carrying on a trade, profession or business in Hong Kong and is in respect of the funds of that trade, profession or business; or
- (iii) interest on the Notes is received by or accrues to a financial institution (as defined in the Inland Revenue Ordinance) and arises through or from the carrying on by the financial institution of its business in Hong Kong, notwithstanding that the moneys in respect of which the interest is received or accrues are made available outside Hong Kong; or
- (iv) a corporation, other than a financial institution, and arises through or from carrying on in Hong Kong by the corporation of its intra-group financing business (within the meaning of section 16(3) of the Inland Revenue Ordinance), even if the moneys in respect of which the interest is received or accrues are made available outside Hong Kong.

Sums received by or accrued to a financial institution by way of gains or profits arising through or from the carrying on by the financial institution of its business in Hong Kong from the sale, disposal or redemption of Notes will be subject to Hong Kong profits tax.

Sums derived from the sale, disposal or redemption of Bearer Notes will be subject to Hong Kong profits tax where received by or accrued to a person, other than a corporation, who carries on a trade, profession or business in Hong Kong and the sum has a Hong Kong source unless otherwise exempted. Sums received by or accrued to a corporation (other than a financial institution) by way of gains or profits arising through or from the carrying on in Hong-Kong by the corporation of its intra-group financing business (as defined in section 16(3) of the Inland Revenue Ordinance) from the sale, disposal or redemption of Bearer Notes will be subject to profits tax. Similarly, such sums in respect of Registered Notes received by or accrued to either the aforementioned financial institution, person and/or corporation will be subject to Hong-Kong profits tax if such sums have a Hong-Kong source.

The source of such sums will generally be determined by having regard to the manner in which the Notes are acquired and disposed.

If the Notes are short or medium debt instruments (as defined in the Inland Revenue Ordinance), profits tax will be assessable at one-half of the standard profits tax rate.

## Stamp Duty

Stamp duty will not be payable on the issue of Bearer Notes provided either:

- (i) such Bearer Notes are denominated in a currency other than the currency of Hong Kong and are not repayable in any circumstances in the currency of Hong Kong; or
- (ii) such Bearer Notes constitute loan capital (as defined in the Stamp Duty Ordinance (Cap. 117 of the Laws of Hong Kong) ("**Stamp Duty Ordinance**").

If stamp duty is payable, it is payable by the Issuer on issue of Bearer Notes at a rate of three (3) per cent. of the market value of the Notes at the time of issue.

## People's Republic of China (the "PRC")

*The following summary describes the principal PRC tax consequences of ownership of the Notes by investors based on current law and practice of the PRC. This summary does not purport to exhaustively describe all possible tax aspects and does not deal with specific situations which may be of relevance for certain potential investors. It is not intended to be, nor should it be construed to be, legal or tax advice. Investors should consult their own tax advisers regarding the PRC tax consequences of an investment in the Notes.*

If the holder of the Notes is a resident enterprise or individual of the PRC, pursuant to the PRC Enterprise Income Tax Law and the PRC Individual Income Tax Law and their implementation regulations, interest paid to such holder and gains realized by such holder from the transfer of the Notes shall be subject to income tax. The current rates of such income tax are generally twenty five (25) per cent. for PRC resident enterprises and twenty (20) per cent. for PRC resident individuals.

Under the PRC Enterprise Income Tax Law and its implementation regulations, an enterprise established in the PRC or an enterprise established under the laws of a foreign jurisdiction with its "place of effective management" located within the PRC is considered a "resident enterprise" and will normally be subject to the enterprise income tax at the rate of twenty five (25) per cent. on its worldwide income. A "place of effective management" refers to the place where the material and overall management and control over the business, personnel, accounts and assets of the enterprise are exercised. In April 2009, the PRC State Administration of Taxation issued Circular GuoShuiFa [2009] No. 82, specifying certain criteria for determining whether the "place of effective management" is located within the PRC for enterprises incorporated outside of China and controlled by PRC enterprises, which include: (a) the location where senior management members responsible for an enterprise's daily operations discharge their duties; (b) the location where financial and human resource decisions are made or approved by organizations or persons; (c) the location where the major assets and corporate documents are kept; and (d) the location where more than half (inclusive) of all directors with voting rights or senior management have their habitual residence.. However, Circular 82 applies only to offshore enterprises controlled by PRC enterprises or PRC enterprise groups. But the determining criteria set forth in Circular 82 may reflect the SAT's general position on how the "place of effective management" test should be applied in determining the tax resident status of offshore enterprises, regardless of whether they are controlled by PRC enterprises or PRC enterprise groups or by PRC or foreign individuals.

If the Issuer is considered to be a PRC resident enterprise because its place of effective management is deemed to be within China, interest paid to non-resident Noteholders and gains realized by such non-resident Noteholders from transfer of the Notes may be regarded as income from sources within the PRC and therefore be subject to a ten (10) per cent. enterprise income tax if the Noteholder is a non-resident enterprise, or twenty (20) per cent. individual income tax if the Noteholder is a non-resident individual, unless such income tax is reduced or exempted by any applicable tax treaty.

If the Issuer is not considered a PRC resident enterprise, the Noteholders who are not PRC residents for PRC tax purposes will not be subject to income tax in respect of interest payment or gains realized from transfer of the Notes.

On 23 March 2016, the Ministry of Finance and the State Administration of Taxation promulgated the Circular on Comprehensively Promoting the Pilot Program of the Collection of Value-Added Tax to Replace Business Tax (Cai Shui [2016] No. 36, “Circular 36”), pursuant to which, starting from 1 May 2016, value-added tax (“VAT”) shall be applicable to provision of financial services and transfer of financial products within China by any entities or individuals, replacing business tax. According to Circular 36, sale of services would be considered as being provided in China if the service provider or recipient is situated in China, but services that are provided by offshore entities or individuals to onshore entities or individuals and completely take place outside of China shall not be deemed as services provided within China. Subject to further clarification of the Chinese tax authorities, if the holder of the Notes is a resident enterprise or individual of the PRC, receiving interest under the Notes or gains from the transfer of the Notes by such holder may be deemed as the holder providing loans to the Issuer or transferring the Notes in China, subject to VAT in China. The applicable VAT rate shall be six (6) per cent. for general VAT payers and three (3) per cent. for small-scale VAT payers. Such VAT could be exempt for transfer of the Notes by PRC individuals and security investment funds. If the Issuer is not considered a PRC resident enterprise, holders of the Notes who are not PRC residents for PRC tax purposes will not be subject to VAT in respect of interest payment or gains realized from transfer of the Notes.

## SUBSCRIPTION AND SALE

### Overview of Dealer Agreement

Subject to the terms and on the conditions contained in an amended and restated dealer agreement dated 1 June 2018 (the “**Dealer Agreement**”) between the Issuer, the Permanent Dealers and the Arranger, the Notes will be offered on a continuous basis to the Permanent Dealers. However, the Issuer has reserved the right to issue Notes directly on its own behalf to Dealers that are not Permanent Dealers. The Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Notes may also be placed by the Issuer through the Dealers, acting as agents of such Issuer. The Dealer Agreement also provides for Notes to be issued in syndicated Tranches that are jointly and severally underwritten by two or more Dealers.

The Issuer will pay each relevant Dealer a commission as agreed between them in respect of Notes subscribed by it. The Issuer has agreed to reimburse the Arranger for certain of its expenses incurred in connection with the establishment of the Programme and the Dealers for certain of their activities in connection with the Programme.

The Issuer has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes. The Dealer Agreement entitles the Dealers to terminate any agreement that they make to subscribe Notes in certain circumstances prior to payment for such Notes being made to the Issuer.

### Selling Restrictions

#### United States

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”), or with any securities regulatory authority of any state or other jurisdiction of the United States, and may not be offered or sold within the United States, or to, or for the account or benefit of, U.S. persons exemption in accordance with Regulation S under the Securities Act (“**Regulation S**”) or pursuant to an exempt from the registration requirements of the Securities Act and in compliance with any applicable state securities laws. Terms used in this paragraph have the meanings given to them by Regulation S.

Materialised Bearer Notes are bearer notes under U.S. tax law; which are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions, or to a U.S. person; except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code and regulations thereunder.

Each Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree, that, except as permitted by the Dealer Agreement, it will not offer, sell or, in the case of Materialised Bearer Notes, deliver Notes of any Tranche, (i) as part of their distribution at any time or (ii) otherwise until forty (40) days after completion of the distribution of such Tranche as determined, and certified to the Issuer, by the Fiscal Agent, or in the case of Notes issued on a syndicated basis, the Lead Manager, within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each Dealer to which it sells Notes during the distribution compliance period a confirmation or other notice setting out the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in the preceding sentence have the meanings given to them by Regulation S. Furthermore, each Dealer has represented and agreed that neither it, its affiliates, nor any persons acting on its or their behalf, has engaged or will engage in any “directed selling efforts” (as defined in Rule 902(c) of Regulation S) with respect to the Notes and each of the foregoing persons has complied and will comply with the offering restrictions requirements of Regulations S.

The Notes are being offered and sold outside the United States to non-U.S. persons in compliance with Regulation S and U.S. tax law.

In addition, until forty (40) days after the commencement of the offering of any Tranche of Notes, an offer or sale of Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

This Base Prospectus has been prepared by the Issuer for use in connection with the offer and sale of the Notes outside the United States. The Issuer and the Dealers reserve the right to reject any offer to purchase the Notes, in whole or in part, for any reason. This Base Prospectus does not constitute an offer to any person in the United States or to any U.S. person. Distribution of this Base Prospectus by any non-U.S. person outside the United States to any other person within the United States, other than those persons, if any, retained to advise such non-U.S. person with respect thereto, is unauthorised and any disclosure without the prior written consent of the Issuer or any of its contents to any such U.S. person or other person within the United States, other than those persons, if any, retained to advise such non-U.S. person, is prohibited.

### **European Economic Area**

If the Final Terms in respect of any Notes specifies the “Prohibition of Sales to EEA Retail Investors” as “Not Applicable”, in relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each a “**Member State**”), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto in a Member State of the EEA except that it may make an offer of Notes in that Member State of the EEA:

- (i) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (ii) at any time to fewer than 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (iii) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to in paragraphs (i) to (iii) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression “**Prospectus Directive**” means Directive 2003/71/EC, as amended.

This EEA selling restriction is in addition to any other selling restrictions set out above or below.

### **Prohibition of Sales to European Economic Area Investors**

Unless the applicable Final Terms in respect of any Notes specifies “Prohibition of Sales to European Economic Area Retail Investors” as “Not Applicable”, each Dealer represents and agrees, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by the Base Prospectus as completed by the applicable Final Terms in relation thereto to any retail investor in the EEA. For the purposes of this provision, the expression “**retail investor**” means a person who is one (or more) of the following:

(i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); or

(ii) a customer within the meaning of Insurance Mediation Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

### **United Kingdom**

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

- (a) in relation to any Notes which have a maturity of less than one (1) year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 as amended (the “**FSMA**”) by the Issuer;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

### **France**

Each of the Dealers has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold and will not offer or sell, directly or indirectly, any Notes to the public in France and it has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, the Base Prospectus, the relevant Final Terms or any other offering material relating to the Notes and such offers, sales and distributions have been and will be made in France only to (a) persons providing investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d’investissement de gestion de portefeuille pour compte de tiers*), and/or (b) qualified investors (*investisseurs qualifiés*), other than individuals, acting for their own account, as defined in, and in accordance with, Articles L.411-1, L.411-2 and D.411-1 of the French *Code monétaire et financier*.

### **Belgium**

This Base Prospectus has not been, and it is not expected that it will be, submitted for approval to the Belgian Financial Services and Markets Authority (*Autoriteit voor Financiële Diensten en Markten / Autorité des services et marchés financiers*) (the **Belgian FSMA**) as a prospectus relating to Notes with a maturity of less than 12 months qualifying as money market instruments within the meaning of the Belgian Prospectus Act (as defined below) (and which therefore fall outside the scope of the Prospectus Directive). Accordingly no action will be taken, and each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it shall refrain from taking any action, that would be characterised as or result in a public offering of such Notes in Belgium in accordance with the Prospectus Law of 16 June 2006 on public offerings of investment instruments and the admission of investment



instruments to trading on regulated markets, as amended or replaced from time to time (the **Belgian Prospectus Act**).

Materialised Notes shall not be physically delivered in Belgium, except to a clearing system, a depository or other institution for the purpose of their immobilisation in accordance with Article 4 of the Belgian Law of 14 December 2005.

The offering may not be advertised and each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or resold, transferred or delivered, and will not offer, sell, resell, transfer or deliver, the Notes and that it has not distributed, and will not distribute, any prospectus, memorandum, information circular, brochure or any similar documents in relation to the Notes, directly or indirectly, to any Belgian Consumer.

For these purposes, a “**Belgian Consumer**” has the meaning provided by article I.1 of the Belgian Code of Economic Law, as amended from time to time (*Code du 28 février 2013 de droit économique/ Wetboek van 28 februari 2013 van economisch recht*), being any individual person (*personne physique/natuurlijke persoon*) resident or located in Belgium acting for purposes which are outside his/her trade, business or profession.

## **Japan**

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (the Act No. 25 of 1948, as amended, the “**FIEA**”). Accordingly, each of the Dealers has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with the FIEA and other relevant laws, regulations and ministerial guidelines of Japan.

## **Hong Kong**

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

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

## **People’s Republic of China**

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that neither it nor any of its affiliates has offered or sold or will offer or sell, directly or indirectly, any of the Notes in the People's Republic of China (excluding Hong Kong, Macau and Taiwan) (the "PRC"), except as permitted by applicable laws and regulations in the PRC as part of the initial distribution of the Notes. This Base Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any securities in the PRC to any person to whom it is unlawful to make the offer or solicitation in the PRC.

The Issuer does not represent that this Base Prospectus or any Final Terms may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in the PRC, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer which would permit a public offering of any Notes or distribution of this document in the PRC. Accordingly, the Notes are not being offered or sold within the PRC by means of this Base Prospectus, any Final Terms or any other document. Neither this Base Prospectus or any Final Terms, nor any advertisement or other offering material may be distributed or published in the PRC, except under circumstances that will result in compliance with any applicable laws and regulations of PRC.

## **Singapore**

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore (the "MAS"). Accordingly, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Base Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289 of Singapore) (the "SFA")) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

- (1) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (2) where no consideration is or will be given for the transfer;
- (3) where the transfer is by operation of law;

- (4) as specified in Section 276(7) of the SFA; or
- (5) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

## **General**

These selling restrictions may be modified or supplemented by the agreement of the Issuer and the Dealers.

Save as stated herein, no action has been taken in any jurisdiction that would permit an offer to the public of any of the Notes. Neither the Issuer nor any of the Dealers represents that Notes may at any time lawfully be resold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such resale.

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it will (to the best of its knowledge and belief after making reasonable enquiries) comply with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes the Base Prospectus, any other offering material or any Final Terms and obtain any consent, approval or permission required for the purchase, offer or sale of Notes under the laws and regulations in force in any jurisdiction in which it makes such purchase, offer or sale and none of the Issuer or any other Dealer shall have responsibility therefor.

Each of the Dealers and the Issuer has represented and agreed that Materialised Notes may only be issued outside France and the United States.

None of the Issuer and the Dealers represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

## FORM OF FINAL TERMS

*The Final Terms in respect of each Tranche will be substantially in the following form, duly completed to reflect the particular terms of the relevant Notes and their issue.*

**[MIFID II product governance / Professional investors and eligible counterparties only target market** – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Notes, taking into account the five categories referred to in item 18 of the Guidelines published by ESMA on 5 February 2018, as determined by the manufacturer(s), 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. [*Consider any negative target market.*] Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.]<sup>16</sup>

**[PROHIBITION OF SALES TO EEA RETAIL INVESTORS** - The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of [Directive 2014/65/EU (“**MiFID II**”)]/[MiFID II]; or (ii) a customer within the meaning of Directive 2002/92/EC, as amended (“**Insurance Mediation Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014, as amended (the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPS Regulation.]<sup>17</sup>

Final Terms dated [●]

[Logo, if document is printed]

**SUEZ**

(the “**Issuer**”)]

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

Under the

Euro 10,000,000,000

Euro Medium Term Note Programme

<sup>16</sup> To be included following completion of the target market assessment in respect of the Notes, taking into account the five categories referred to in item 18 of the Guidelines published by ESMA on 5 February 2018

<sup>17</sup> Delete legend if the Notes do not constitute “packaged” products, in which case, insert “Not Applicable” in paragraph 9(v) of Part B below. Include legend if the Notes may constitute “packaged” products and the Issuer intends to prohibit the Notes being offered, sold or otherwise made available to EEA retail investors. In this case insert “Applicable” in paragraph 9(v) of Part B below.

for the issue of Notes

SERIES NO: [●]

TRANCHE NO: [●]

[Name(s) of Dealer(s)]

## PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 1 June 2018 which received visa no. 18-[●] from the *Autorité des marchés financiers* (the “**AMF**”) on 1 June 2018 [and the supplement to the Base Prospectus dated [●]<sup>18</sup> which received visa no. [●] from the AMF on [●]] which [together] constitute[s] a base prospectus for the purposes of Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003, as amended (the “**Prospectus Directive**”). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus [as so supplemented]. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus [as supplemented by the Supplement]. The Base Prospectus [and the supplement to the Base Prospectus] [is] [are]] available for viewing on the website of the AMF ([www.amf-france.org](http://www.amf-france.org)), on the Issuer’s website ([www.suez.com](http://www.suez.com)) and copies may be obtained from the Issuer at Tour CB21, 16, place de l’Iris, 92040 Paris La Défense, France.

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

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “**Conditions**”) which are the 20[●] EMTN Conditions. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 as amended (the “**Prospectus Directive**”) and must be read in conjunction with the Base Prospectus dated [current date] which received visa no. [●] from the AMF on [●] [and the supplement to the Base Prospectus dated [●] which received visa no. [●] from the AMF on [●], which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive, save in respect of the Conditions which are the 20[●] EMTN Conditions. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms, the 20[●] EMTN Conditions and the Base Prospectus dated [current date] [and the supplement to the Base Prospectus dated [●]. The Base Prospectus [and the supplement to the Base Prospectus] are available for viewing on the website of the AMF ([www.amf-france.org](http://www.amf-france.org)) and on the Issuer’s website ([www.suez.com](http://www.suez.com)) and copies may be obtained from the Issuer at Tour CB21, 16, place de l’Iris, 92040 Paris La Défense, France

*[Include whichever of the following apply or specify as “Not Applicable”. Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs (in which case the sub-paragraphs of the paragraphs which are not applicable can be deleted). Italics denote guidance for completing the Final Terms.]*

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<sup>18</sup> Delete if no supplement is published.

1. Issuer: Suez
2. (i) Series Number: [●]
- (ii) Tranche Number: [●]
- (iii) [Date on which the Notes become fungible: [Not Applicable/ The Notes will be assimilated (*assimilées*) and form a single series with the existing [*insert description of the Series*] issued by the Issuer on [*insert date*] (the “Existing Notes”) as from the date of assimilation which is expected to be on or about forty (40) days after the Issue Date (the “Assimilation Date”).]
3. Specified Currency or Currencies: [●]
4. Aggregate Nominal Amount:
- (i) Series: [●]
- (ii) Tranche: [●]
5. Issue Price: [●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [*insert date*] (*in the case of fungible issues only if applicable*)]
6. Specified Denominations: [●]<sup>19</sup> (*one denomination only for the Dematerialised Notes*)
7. (i) Issue Date: [●]
- [(ii)] Interest Commencement Date [●] [*Specify/Issue Date/Not Applicable*]
8. Maturity Date: [*specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year*]
9. Interest Basis: [[●] per cent. Fixed Rate]
- [[LIBOR/EURIBOR/CMS Rate/CMS Spread] +/- [●] per cent. Floating Rate]
- [Fixed/Floating Rate Notes]

<sup>19</sup>

Section 6: Add the following language if the programme allows for issues of securities with a maturity of less than one (1) year and the issuer is not an authorised person permitted to accept deposits or an exempt person under the UK Financial Services and Markets Act 2000. Delete square-bracketed text for issuers incorporated in the UK or within S 418 FSMA. The issue of securities with a maturity of less than one (1) year by such issuers, where the issue proceeds are to be accepted in the United Kingdom, or, in the case of issuers incorporated in the UK or within S 418 FSMA, will be subject to S 19 FSMA unless their denomination is £100,000 or more (or its equivalent in other currencies) and they are only issued to “professionals” within Article 9(2)(a) of the Financial Services and Markets Act (Regulated Activities) Order 2001:

Notes [(including Notes denominated in Sterling) in respect of which the issue proceeds are to be accepted by the issuer in the United Kingdom or whose issue otherwise constitutes a contravention of S 19 FSMA and] which have a maturity of less than one (1) year must have a minimum redemption value of £100,000 (or its equivalent in other currencies).

Add appropriate provisions to terms and conditions if included.

- [Zero Coupon]
- [Inflation Linked Interest]
- (further particulars specified below)*
- 10. Redemption/Payment Basis<sup>20</sup>:** [Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at [●] per cent. of their nominal amount.] / [As provided below for Inflation Linked Notes as the case may be]
- 11. Change of Interest or Redemption/Payment Basis:** [Not Applicable]/ [Applicable]
- [Specify the date when any fixed to floating rate change occurs where applicable]*
- 12. Put/Call Options:** [Not Applicable]
- [Investor Put]
- [Issuer Call]
- [Make-Whole Redemption by the Issuer]
- [Clean-up Call]
- [Put Option in case of Change of Control]
- [(further particulars specified below)]*
- 13. (i) Status of the Notes:** Unsubordinated
- (ii) [Date of corporate authorisations for issuance of Notes obtained:** [●] [and [●], respectively]]
- (N.B Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes)]*

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

- 14. Fixed Rate Note Provisions** [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Rate[(s)] of Interest:** [●] per cent. per annum payable in arrear on each Interest Payment Date]

<sup>20</sup>

If the Final Redemption Amount is more or less than 100 per cent. of the nominal value the Notes will be derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation will apply. This pro forma has been annotated to indicate where the key additional requirements of Annex XII are dealt with.

- (ii) Interest Payment Date(s): [●] in each year [adjusted in accordance with [the Business Day Convention specified below<sup>21</sup>] [*specify Business Day Convention and any applicable Business Centre(s) for the definition of “Business Day”*]/not adjusted]
- (iii) Fixed Coupon Amount[(s)]<sup>22</sup>: [●] per [●] in nominal amount
- (iv) Broken Amount(s): [[●] payable on the Interest Payment Date falling [in/on] [●]]
- (v) Day Count Fraction (Condition 5(a)): [Actual/365 – FBF / Actual/365 / Actual/Actual - ISDA / Actual/Actual – ICMA / Actual/365 (Fixed) / Actual/360 / 30/360 / 360/360 / Bond Basis / 30E/360 / Eurobond Basis / 30E/360(ISDA)]
- (vi) Determination Dates (Condition 5(a)): [●] in each year (*insert regular Interest Payment Dates, ignoring Issue Date or Maturity Date in the case of a long or short first or last Coupon. N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA)*)
- (vii) [Business Day Convention<sup>23</sup> [Floating Rate Business Day Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention]]
- (viii) [Party responsible for calculating Interest Amounts (if not the Calculation Agent)<sup>24</sup> [●]/[Not Applicable]]

**15. Floating Rate Note Provisions**

[Applicable/Not Applicable]

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

- (i) Interest Period(s): [●]
- (ii) Specified Interest Payment Dates: [●], in each year, subject to adjustment in accordance with the Business Day Convention
- (iii) First Interest Payment Date: [●]
- (iv) Interest Period Date: [Not Applicable]/[●]
- (v) Business Day Convention: [Floating Rate Business Day Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention]
- (vi) Business Centre(s) (Condition 5(a)): [●]

<sup>21</sup> RMB Notes only.

<sup>22</sup> Not applicable for RMB Notes.

<sup>23</sup> RMB Notes only.

<sup>24</sup> RMB Notes only.



- (vii) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/ISDA Determination/FBF Determination]
- (viii) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the Calculation Agent): [[●] *specify*/Not applicable]
- (ix) Screen Rate Determination (Condition 5(c)(iii)(C)):
- Reference Rate: [LIBOR/EURIBOR/CMS Rate/see CMS combination formula below]
  - Interest Determination Date(s): [●] *[TARGET] Business Days in [specify city] for [specify currency] prior to [the first day of each Interest Accrual Period/each Interest Payment Date]*
  - Relevant Screen Page: [●]
  - CMS combination formula: [**m** × CMS Rate *[specify maturity]* [+/-/×] **n** × CMS Rate *[specify maturity]*]/[Not Applicable]
  - Designated Maturity: [●]
  - Specified Time: [●]
  - Reference Currency: [●]
  - Reference Bank: [[●] *specify four*/Not applicable]
- (x) FBF Determination (Condition 5(c)(iii)(A)):
- Floating Rate: [●]
  - Floating Rate Determination Date (*Date de Détermination du Taux Variable*): [●]
- (N.B. the fall-back provisions applicable to FBF Determination under the Recueil de Taux – Additifs Techniques FBF are reliant upon the provisions by reference banks of offered quotations for LIBOR and/or EURIBOR which, depending on market circumstances, may not be available at the relevant time)*
- (xi) ISDA Determination (Condition 5(c)(iii) (B)):
- Floating Rate Option: [●]

- Designated Maturity: [●]
  - Reset Date: [●]
- (N.B. the fall-back provisions applicable to ISDA Determination under the 2006 ISDA Definitions are reliant upon the provisions by reference banks of offered quotations for LIBOR and/or EURIBOR which, depending on market circumstances, may not be available at the relevant time)*
- (xii) Margin(s): [ +/- ] [●] per cent. per annum
  - (xiii) Minimum Rate of Interest: [0.00 per cent.] / [ [●] per cent. per annum (*such rate to be higher than 0.00 per cent.*)]
  - (xiv) Maximum Rate of Interest: [●] per cent. per annum / [Not Applicable]
  - (xv) Day Count Fraction (Condition 5(a)): [●]
- 16. Zero Coupon Notes provisions** [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Amortisation Yield (Condition 6(e)(i)): [●] per cent. per annum
  - (ii) Day Count Fraction (Condition 5(a)): [●]
- 17. Inflation Linked Notes Provisions** [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Index: [CPI/HICP/US CPI]
  - (ii) Calculation Agent responsible for calculating the interest due (if not the Calculation Agent): [●]
  - (iii) Interest Period(s): [●]
  - (iv) Interest Payment Dates: [●]
  - (v) Interest Determination Date(s): [●]
  - (vi) Base Reference: [CPI/HICP/ US CPI] Daily Inflation Reference Index applicable on [*specify date*] (amounting to: [●])
  - (vii) Rate of Interest: [●] per cent. per annum multiplied by the Inflation Index Ratio

- |        |   |  |
|--------|---|--|
| (viii) | Business Centre(s)<br>(Condition 5(a)): | [●]  |
| (ix)   | Minimum Rate of Interest:               | [0.00 per cent.] / [[●] per cent. per annum ( <i>such rate to be higher than 0.00 per cent.</i> )]   |
| (x)    | Maximum Rate of Interest:               | [Not Applicable]/[●] per cent. per annum   |
| (xi)   | Day Count Fraction<br>(Condition 5(a)): | [Actual/365 – FBF / Actual/365 / Actual/Actual – ISDA / Actual/Actual – ICMA / Actual/365 (Fixed) / Actual/360 / 30/360 / 360/360 / Bond Basis / 30E/360 / Eurobond Basis / 30E/360(ISDA)] |
| (xii)  | [Reference month:                       | [●]]   |
| (xiii) | [Spread:                                | [●]]   |
| (xiv)  | [Multiplier:                            | [●]]   |
| (xv)   | [Change in the US CPI:                  | [●]]   |

## PROVISIONS RELATING TO REDEMPTION

### 18. Call Option

[Applicable/Not Applicable]

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

- |       |  |  |
|-------|--|--|
| (i)   | Optional Redemption Date(s):                   | [●]  |
| (ii)  | Optional Redemption Amount(s)<br>of each Note: | [●] per Note [of [●] Specified Denomination] <sup>25</sup> |
| (iii) | If redeemable in part:                         |  |
|       | (A) Minimum nominal<br>amount to be redeemed:  | [●]  |
|       | (B) Maximum nominal<br>amount to be redeemed:  | [●]  |
| (iv)  | Notice period: <sup>26</sup>                   | [●]  |

<sup>25</sup> Delete bracketed text in the case of Dematerialised Notes.

<sup>26</sup> If setting notice periods which are different to those provided in the terms and conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and its fiscal agent.

- 19. Make-Whole Redemption by the Issuer** [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Notice period<sup>27</sup>: [●]
  - (ii) Reference Security: [●]
  - (iii) Reference Dealers: [●]
  - (iv) Similar Security: [●]
  - (v) Redemption Margin: [●]
  - (vi) Party, if any, responsible for calculating the principal and/or interest due (if not the Calculation Agent): [●]
- 20. Clean-Up Call Option:** [Applicable / Not Applicable]
- (If not applicable, delete the remaining sub-paragraph of this paragraph)*
- Clean-Up Percentage: [●] per cent.
- 21. Put Option** [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Optional Redemption Date(s): [●]
  - (ii) Optional Redemption Amount(s) of each Note: [●] per Note [of [●] Specified Denomination]<sup>28</sup>
  - (iii) Notice period<sup>29</sup>: [●]
- 22. Change of Control Put Option** [Applicable/Not Applicable]
- 23. Final Redemption Amount of each Note** [[●] per Note [of [●] Specified Denomination] / [As provided below for Inflation Linked Notes as the case may be]

<sup>27</sup> If setting notice periods are different to those provided in the Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and its Fiscal Agent.

<sup>28</sup> Delete bracketed text in the case of Dematerialised Notes.

<sup>29</sup> If setting notice periods are different to those provided in the Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and its Fiscal Agent.

- 24. Inflation Linked Notes – Provisions relating to the Final Redemption Amount** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Index: [CPI/HICP/US CPI]
  - (ii) Final Redemption Amount in respect of Inflation Linked Notes: [Condition 6(e) applies]
  - (iii) Base Reference: [CPI/HICP/US CPI] Daily Inflation Reference Index applicable on [*specify date*] (amounting to: [●])
  - (iv) Party responsible for calculating the Rate of Interest and/or Interest Amount(s) (if not the Calculation Agent): [●]
- 25. Early Redemption Amount**
- (i) Early Redemption Amount(s) of each Note payable on redemption for taxation reasons (Condition 6(g)), for illegality (Condition 6(k)), on event of default (Condition 9) [or under the clean-up call (Condition 6(i))]: [●] per Note [of [●] Specified Denomination]
  - (ii) Redemption for taxation reasons permitted on days others than Interest Payment Dates (Condition 6(g)): [Yes/No]
  - (iii) Unmatured Coupons to become void upon early redemption (Materialised Bearer Notes only) (Condition 7(f)): [Yes/No/Not Applicable]
- 26. Inflation Linked Notes – Provisions relating to the Early Redemption Amount:** [Applicable / Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Index: [CPI/HICP/ US CPI]
  - (ii) Early Redemption Amount in respect of Inflation Linked Notes: [Condition 6(f)(ii) applies]
  - (iii) Base Reference: [CPI/HICP/ US CPI] Daily Inflation Reference Index applicable on [*specify date*] (amounting to: [●])

- (b) Party responsible for calculating the Rate of Interest and/or Interest Amount(s) (if not the Calculation Agent): [●]

## GENERAL PROVISIONS APPLICABLE TO THE NOTES

27. Form of Notes: [Dematerialised Notes/Materialised Notes] (*Materialised Notes are only in bearer form and may only be issued outside France*).  
[Delete as appropriate]
- (i) Form of Dematerialised Notes: [Not Applicable/specify whether bearer dematerialised form (*au porteur*)/administered registered dematerialised form (*au nominatif administré*)/fully registered dematerialised form (*au nominatif pur*)]
- (ii) Registration Agent: [Not Applicable/Applicable] [*if applicable give name and details*] (*note that a registration agent must be appointed in relation to fully registered dematerialised Notes only*)
- (iii) Temporary Global Certificate: [Not Applicable/Temporary Global Certificate exchangeable for Definitive Materialised Notes on [●] (the “**Exchange Date**”), being forty (40) days after the Issue Date subject to postponement as specified in the Temporary Global Certificate]
- (iv) Applicable TEFRA exemption: [C Rules/D Rules/Not Applicable] (*Only applicable to Materialised Notes*)
28. Financial Centre(s) (Condition 7(h)) or other special provisions relating to Payment Dates: [Not Applicable/give details.] (*Note that this item relates to the date and place of payment, and not interest period end dates, to which items 15(ii), 16(iii) and 18(vii) relates*)
29. Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature): [Yes/No. *If yes, give details*]
30. Redenomination, renominatisation and reconventioning provisions: [Not Applicable/The provisions [in Condition 1(e)] apply]
31. [Exclusion of the possibility to request identification information of Noteholders as provided by Condition 1(a)(i): [Applicable] (*If the possibility to request identification information of the Noteholders as provided by Condition 1(a)(i) is contemplated, delete this paragraph*)]
32. [Exclusion of the possibility of holding and reselling purchased Notes in accordance with Article L.213-0-1 of the French Code monétaire et financier (Condition 6(h)): [Applicable] (*If the possibility of holding and reselling purchased Notes in accordance with Article L.213-0-1 of the French Code monétaire et financier in accordance with Condition 6(h) is contemplated, delete this paragraph*)]

33. Consolidation provisions: [Not Applicable/The provisions [in Condition 14(b)] apply]
34. [Payment in Euro Equivalent instead of U.S. Dollar Equivalent in the case contemplated in Condition 7(i) for RMB Notes] [Applicable/Not Applicable]

**RESPONSIBILITY**

The Issuer accepts responsibility for the information contained in these Final Terms. [[●] has been extracted from [●]. 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 [●], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of the Issuer:

By: .....

Duly authorised

## PART B – OTHER INFORMATION

### 1. Listing and Admission to Trading

- (i) Listing: [Euronext Paris/other (*specify*)/None] / [Not Applicable]
- (ii) Admission to trading: [Application has been made for the Notes to be admitted to trading on [●] with effect from [●].]  
[Not Applicable.]
- (Where documenting a fungible issue need to indicate that original securities are already admitted to trading.)*
- [The [first / (specify)] Tranche(s) of the Notes are already admitted to trading on [●] as from [its/their respective] issue date.]
- (iii) Estimate of total expenses related to admission to trading: [●]

### 2. Ratings

- Ratings: [The Notes have not been rated] / [The Notes to be issued [are expected to be ] / [have been] rated:
- [Moody's: [●]]
- [[Other]: [●]]
- [[Each of [●], [●] and] [Moody's] is established in the European Union and has applied for registration under Regulation (EC) No 1060/2009, as amended, although the result of such applications has not been determined.]
- [[Each of [●], [●] and] [Moody's] is established in the European Union, is registered under Regulation (EC) No. 1060/2009 (as amended) (the “**CRA Regulation**”) and is included in the list of credit rating agencies registered in accordance with the CRA Regulation published on the European Securities and Markets Authority’s website ([www.esma.europa.eu/supervision/credit-rating-agencies/risk](http://www.esma.europa.eu/supervision/credit-rating-agencies/risk)).]
- [[Each of [●], [●] and] [Moody's] is [not] established in the European Union [nor has/and has not] applied for registration under Regulation (EC) No 1060/2009 as amended (the “**CRA Regulation**”), but is endorsed by [insert credit rating agency's name] which is established in the European Union,



registered under the CRA Regulation and is included in the list of credit rating agencies registered in accordance with the CRA Regulation published on the European Securities and Markets Authority's website ([www.esma.europa.eu/supervision/credit-rating-agencies/risk](http://www.esma.europa.eu/supervision/credit-rating-agencies/risk)).

[[None of [●] and] [Moody's] is [not] established in the European Union [nor has/and has not] applied for registration under Regulation (EC) No 1060/2009 as amended.]

*(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)*

### 3. [Interests of Natural and Legal Persons Involved in the Issue

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

“Save as discussed in [“Subscription and Sale”], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.”]

### 4. Reasons for the Offer, Estimated Net Proceeds and Total Expenses

[(i) Reasons for the offer: [●]

*(See [“Use of Proceeds”] wording in Base Prospectus – if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here.)*

[(ii) Estimated net proceeds: [●]

*(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)*

[(iii) Estimated total expenses: [●]. [Include breakdown of expenses.]

### 5. [Fixed Rate Notes only – Yield

Indication of yield: [●] per cent. 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.]

## 6. [Floating Rate Notes only - Information on Floating Rate Notes

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

[Benchmarks:

Amounts payable under the Notes will be calculated by reference to [●] which is provided by [●]. As at [●], [●] [appears/does not appear] on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to Article 36 of the Benchmark Regulation (Regulation (EU) 2016/1011) (the “**Benchmark Regulation**”). [As far as the Issuer is aware, the transitional provisions in Article 51 of the Benchmark Regulation apply, such that [●] is not currently required to obtain authorisation or registration.]]

## 7. [Inflation Linked only – Performance of Index and Other Information Concerning the Underlying

(i) Name of underlying index: [●]

(ii) Information about the index, its volatility and past and future performance can be obtained: [●]

The Issuer [intends to provide post-issuance information [specify what information will be reported and where it can be obtained]] [does not intend to provide post-issuance information].]

## 8. Operational Information

ISIN: [●]

Common Code: [●]

Depositories:

(a) Euroclear France to act as Central Depository: [Yes/No]

(b) Common Depository for Euroclear and Clearstream: [Yes/No]

Any clearing system(s) other than Euroclear France, Euroclear Bank SA/NV and Clearstream Banking, SA and the relevant identification number(s): [Not Applicable/give name(s) and number(s)]

Delivery: Delivery [against/free of] payment

Names and addresses of additional Paying Agent(s) (if any): [●]

The aggregate principal amount of Notes [●] issued has been translated into Euro at the rate of [●] producing a sum of:

**9. Distribution**

- (i) Method of distribution: [Syndicated]/[Non-syndicated]
- (ii) If syndicated:
  - (A) Names of Managers: [Not Applicable/give names of Managers]
  - (B) Stabilising Manager(s) (if any): [Not Applicable/give name]
- (iii) If non-syndicated, name of Dealer: [Not Applicable/give name]
- (iv) U.S. Selling Restrictions: Category 2 restrictions apply to the Notes
- (v) Prohibition of Sales to EEA Retail Investors: [Not Applicable/ Applicable]

*(If the Notes do not constitute “packaged” products, “Not Applicable” should be specified. If the Notes may constitute “packaged” products and no KID will be prepared, “Applicable” should be specified. For the purpose of the above, a “packaged” product shall designate a “packaged retail investment product” which means in accordance with Regulation (EU) No 1286/2014 of 26 November 2014 an investment, where, regardless of the legal form of the investment, the amount repayable to the retail investor is subject to fluctuations because of exposure to reference values or to the performance of one or more assets which are not directly purchased by the retail investor.)*

## GENERAL INFORMATION

- (1) Application has been made to the AMF to approve this document as a base prospectus and this Base Prospectus has received visa n°18-221 from the AMF on 1 June 2018. Application will be made in certain circumstances to list and admit the Notes on Euronext Paris and application may be made for the listing and admission to trading on any other Regulated Market in a Member State of the EEA.
- (2) The Issuer has obtained all necessary corporate and other consents, approvals and authorisations in the Republic of France in connection with the establishment of the Programme.

Any issue of Notes under the Programme will be authorised by a resolution of its *Conseil d'administration* which may delegate its powers within one (1) year from the date of such authorisation to any person of its choice. For this purpose, the *Conseil d'administration* of the Issuer, on 26 October 2017, delegated its powers to issue up to €3,000,000,000 of notes to the *Directeur Général* for a period of one (1) year as from 1 January 2018.

- (3) Except as disclosed in this Base Prospectus, there has been (i) no material adverse change in the prospects of the Issuer or the Group since 31 December 2017 and (ii) no significant change in the financial or trading position of the Issuer or the Group since 31 December 2017.
- (4) Except as disclosed in this Base Prospectus, there has been no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) during the period of twelve (12) months immediately preceding the date of approval of this Base Prospectus which may have, or have had in the recent past, a significant effect on the Issuer's or the Group's financial position or profitability.
- (5) The Notes have been accepted for clearance through Euroclear and Clearstream. The appropriate common code and the International Securities Identification number, in relation to the Notes of each Series will be specified in the Final Terms relating thereto. The relevant Final Terms shall specify any other clearing system as shall have accepted the relevant Notes for clearance together with any further appropriate information.

The address of Euroclear is Euroclear Bank SA/NV, 1 boulevard du Roi Albert II, B-1210 Brussels and the address of Clearstream is Clearstream Banking, 42 avenue JF Kennedy, L-1855 Luxembourg.

Dematerialised Notes will be inscribed in the books of Euroclear France (acting as central depository). The address of Euroclear France is 66, rue de la Victoire, 75009 Paris.

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

- (7) Mazars and Ernst & Young et Autres have rendered an audit report on the consolidated financial statements of the Issuer for the financial years ended 31 December 2017 and 31 December 2016 dated 1 March 2018 and 28 February 2017, respectively.

The statutory auditors of the Issuer are Mazars and Ernst & Young et Autres. Mazars and Ernst & Young et Autres are members of the professional body *compagnie des commissaires aux comptes de Versailles*.

- (8) Each Temporary Global Certificate will bear the following legend: “THIS TEMPORARY GLOBAL NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”). NEITHER THIS GLOBAL NOTE NOR ANY PORTION HEREOF MAY BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, ANY U.S. PERSON UNLESS AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT IS AVAILABLE.”
- (9) Each Materialised Bearer Note, Coupon and Talon issued in compliance with the D Rules will bear the following legend: “ANY U.S. PERSON WHO HOLDS THIS NOTE WILL BE SUBJECT TO LIMITATIONS UNDER THE U.S. INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(J) AND 1287(A) OF THE INTERNAL REVENUE CODE.”
- (10) In relation to any Tranche of Fixed Rate Notes, the yield in respect of such Notes will be specified in the applicable Final Terms. The yield is calculated at the Issue Date of the Notes on the basis of the relevant Issue Price. The yield indicated will be calculated as the yield to maturity as at the Issue Date (as defined in the Final Terms) of the Notes and will not be an indication of future yield.
- (11) Amounts payable under the Floating Rate Notes may be calculated by reference to one or more “benchmarks” for the purposes of Regulation (EU) No. 2016/1011 of the European Parliament and of the Council of 8 June 2016 (the **Benchmarks Regulation**). In this case, a statement will be included in the applicable Final Terms as to whether or not the relevant administrator of the “benchmark” is included in ESMA’s register of administrators under Article 36 of the Benchmarks Regulation. In particular, LIBOR is provided by the ICE Benchmark Administration Limited (**ICE**). As at the date of this Base Prospectus, ICE appears on the register of administrators and benchmarks established and maintained by the ESMA pursuant to Article 36 of the Benchmarks Regulation.

## PERSONS RESPONSIBLE FOR THE INFORMATION GIVEN IN THE BASE PROSPECTUS

To the best of the Issuer's knowledge (having taken all reasonable care to ensure that such is the case), the information contained in this Base Prospectus is in accordance with the facts and contains no omission likely to affect its import.

**SUEZ**  
Tour CB21  
16, place de l'Iris  
92040 Paris La Défense  
France

Duly represented by:

Jean-Marc Boursier, Group Senior Executive Vice President in charge of Finance and Recycling & Recovery in Northern Europe, authorised signatory pursuant to a decision of the Board of Directors (*Conseil d'administration*) of the Issuer dated 26 October 2017 and the power of attorney dated 26 April 2018



In accordance with Articles L. 412-1 and L. 621-8 of the French *Code monétaire et financier* and with its General Regulations (*Règlement Général*), in particular Articles 212-31 to 212-33, the Autorité des marchés financiers (“AMF”) has granted to this Base Prospectus the visa no. 18-221 on 1 June 2018. This prospectus was prepared by the Issuer and its signatories assume responsibility for it.

In accordance with Article L. 621-8-1-I of the French *Code monétaire et financier*, the visa was granted following an examination by the AMF that the document is complete and comprehensible, and that the information it contains is coherent. It does not imply that the AMF has approved the appropriateness of the transaction or authenticated the accounting and financial information presented herein.

In accordance with Article 212-32 of the AMF's General Regulations, every issue or admission of Notes under this Base Prospectus will require the publication of final terms.

**Issuer**

**Suez**  
Tour CB21  
16, place de l'Iris  
92040 Paris La Défense  
France

**Arranger**

**Deutsche Bank AG, Paris Branch**  
23-25, avenue Franklin Roosevelt  
75008 Paris  
France

**Dealers**

**Banco Bilbao Vizcaya  
Argentaria, S.A.**  
Calle Azul, 4  
28050 Madrid  
Spain

**Banco Santander, S.A.**  
Ciudad Grupo Santander  
Edificio Encinar  
Avenida de Cantabria s/n  
28660 Boadilla del Monte  
Madrid  
Spain

**Barclays Bank PLC**  
5 The North Colonnade  
Canary Wharf  
London E14 4BB  
United Kingdom

**BNP Paribas**  
10, Harewood Avenue  
London NW1 6AA  
United Kingdom

**CaixaBank, S.A.**  
Pintor Sorolla 2-4  
46002 Valencia  
Spain

**Citigroup Global Markets  
Limited**  
Citigroup Centre  
Canada Square – Canary Wharf  
London E14 5LB  
United Kingdom

**Crédit Industriel et Commercial  
S.A.**  
6, avenue de Provence,  
75452 Paris Cedex 9  
France

**Commerzbank  
Aktiengesellschaft**  
Kaiserstrasse 16 (Kaiserplatz)  
60311 Frankfurt am Main  
Federal Republic of Germany

**Crédit Agricole Corporate and  
Investment Bank**  
12, place des Etats-Unis  
CS 70052  
92547 Montrouge Cedex  
France

**Deutsche Bank AG, London  
Branch**  
Winchester House  
1 Great Winchester Street  
London EC2N 2DB  
United Kingdom

**HSBC Bank plc**  
8 Canada Square  
London E14 5HQ  
United Kingdom

**ING Bank N.V., Belgian Branch**  
Avenue Marnix 24  
1000 Brussels  
Belgium

**Merrill Lynch International**  
2 King Edward Street  
London EC1A 1HQ  
United Kingdom

**MUFG Securities EMEA plc**  
Ropemaker Place  
25 Ropemaker Street  
London EC2Y 9AJ  
United Kingdom

**Mizuho International plc**  
Mizuho House  
30 Old Bailey  
London EC4M 7AU  
United Kingdom

**Natixis**  
30, avenue Pierre Mendès France  
75013 Paris  
France

**NatWest Markets Plc**  
250 Bishopsgate  
London EC2M 4AA  
United Kingdom

**RBC Europe Limited**  
Riverbank House  
2 Swan Lane  
London EC4R 3BF  
United Kingdom

**Société Générale**  
29, boulevard Haussmann  
75009 Paris  
France

**UniCredit Bank AG**  
Arabellastrasse 12  
D-81925 Munich  
Germany

**Fiscal Agent, Principal Paying Agent, Redenomination Agent,  
Consolidation Agent and Calculation Agent**

**Société Générale Bank & Trust**  
11, avenue Emile Reuter  
L-2420 Luxembourg  
Luxembourg

**Paying Agent and Registration Agent**

**Société Générale**  
Société Générale Securities Services  
32, rue du Champ de Tir  
CS 30812  
44308 Nantes Cedex 3

**Auditors**

**Mazars**  
Tour Exaltis  
61, rue Henri Régnault  
92400 Courbevoie  
France

**Ernst & Young et Autres**  
1/2, place des Saisons  
92400 Courbevoie – Paris-La Défense 1  
France

**Legal Advisers**

**To the Issuer**

*As to French law*  
**White & Case LLP**  
19, place Vendôme  
75001 Paris  
France

**To the Dealers**

*As to French law*  
**Allen & Overy LLP**  
52, avenue Hoche  
CS 90005  
75379 Paris Cedex 08  
France