



CARAC

EUR 300,000,000 Fixed to Floating Subordinated Tier 2 Notes due 5 February 2046

Issue Price: 99.231 per cent.

The EUR 300,000,000 fixed to floating subordinated Tier 2 notes due 5 February 2046 (the **Notes**) of la Mutuelle d'Épargne, de Retraite et de Prévoyance CARAC (*mutuelle régie par le Code de la Mutualité*) ("**CARAC**" or the "**Issuer**") will be issued on 5 February 2026 (the "**Issue Date**"). Words and expressions defined under the section "**Terms and Conditions of the Notes**" shall have the same meanings on this cover page, unless otherwise specified.

The obligations of the Issuer under the Notes in respect of principal, interest and other amounts, constitute Ordinary Subordinated Obligations and rank and will at all times rank (i) *pari passu* without any preference among themselves and *pari passu* with any other Ordinary Subordinated Obligations outstanding from time to time, to the extent required by the Applicable Supervisory Regulations; (ii) senior to any present and future Mutual Certificates of the Issuer, *titres participatifs* issued by or *prêts participatifs* granted to the Issuer and Deeply Subordinated Obligations; and (iii) junior to all present and future Unsubordinated Obligations, other obligations (including without limitation 1st Ranking Senior Subordinated Notes) expressed to rank senior to Ordinary Subordinated Obligations, if any, and Senior Subordinated Obligations of the Issuer, all as defined herein and as set out in the "**Terms and Conditions of the Notes - Status of the Notes**".

Unless previously redeemed or purchased and cancelled in accordance with the "**Terms and Conditions of the Notes — Redemption and Purchase**", the Notes will be redeemed at their Principal Amount, together with accrued interest thereon, if any, and any Arrears of Interest, on 5 February 2046 (the "**Scheduled Maturity Date**"), if the Conditions to Redemption and Purchase are satisfied and otherwise as soon thereafter as the Conditions to Redemption and Purchase are so satisfied, as further specified in "**Terms and Conditions of the Notes — Redemption and Purchase— Conditions to Redemption and Purchase**".

Subject to Interest Deferral, as set out in "**Terms and Conditions of the Notes — Interest**", each Note will bear interest on their Principal Amount (i) at a fixed rate of 4.375 per cent. *per annum* from (and including) the Issue Date to (but excluding) 5 February 2036 (the "**Switch Date**") and (ii) at a floating rate of 3-month EURIBOR plus the Margin from (and including) the Switch Date to (but excluding) the Redemption Date, as further specified in "**Terms and Conditions of the Notes — Interest**".

The fixed rate interest will be payable annually in arrear on 5 February each year, commencing on 5 February 2027 and the floating rate interest will be payable quarterly in arrear on or nearest to 5 February, 5 May, 5 August and 5 November in each year commencing on 5 May 2036.

Payment of interest on the Notes shall, in certain circumstances, be deferred, as set out in "Terms and Conditions of the Notes — Interest — Interest Deferral**".**

The Notes do not contain any negative pledge or events of default.

The Issuer may, at its option and subject to the Conditions to Redemption and Purchase (as set out in "**Terms and Conditions of the Notes – Redemption and Purchase – Conditions to Redemption and Purchase**"), redeem the Notes in whole, but not in part, (i) at any time during the period from (and including) 5 August 2035 (the "**First Call Date**") to (and including) the Switch Date or (ii) upon the occurrence of certain events, including a Gross-up Event, a Withholding Tax Event, a Tax Deductibility Event, a Regulatory Event, a Rating Methodology Event or (iii) if the conditions for Clean-up Redemption are met, all as further described in "**Terms and Conditions of the Notes – Redemption and Purchase**". All redemptions are subject to the Prior Approval of the Relevant Supervisory Authority.

Application has been made to Euronext Growth, a market of Euronext in Paris ("**Euronext Growth**") for the Notes to be admitted to trading on Euronext Growth. Euronext Growth is a multilateral trading facility and is not a regulated market for the purposes of Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments (as amended, "**MiFID II**").

The Notes will be issued in bearer dematerialised form (*au porteur*) in the denomination of EUR 100,000. The Notes will at all times be in book-entry form in compliance with Articles L.211-3 *et seq.* and R.211-1 *et seq.* of the French *Code monétaire et financier*. No physical documents 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 Notes. The Notes will, upon issue, be inscribed in the books of Euroclear France ("**Euroclear France**") which shall credit the accounts of the relevant Account Holders. "**Account Holder**" shall mean any authorised financial intermediary institution entitled to hold, directly or indirectly, accounts on behalf of its customers with Euroclear France, and includes Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream**").

The Notes have been rated BBB+ by S&P Global Ratings Europe Limited ("**S&P**"). The Issuer's long-term debt is rated A (stable outlook) by S&P. S&P is established in the European Union and registered under Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies (as amended) (the "**CRA Regulation**") and 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 (<https://www.esma.europa.eu/credit-rating-agencies/cra-authorisation>) as of the date of this Information Memorandum. A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension, change or withdrawal at any time by the assigning rating agency.

Copies of this Information Memorandum and of all documents incorporated by reference in the Information Memorandum are available on the website of the Issuer (<https://www.carac.fr/investisseurs>)

IMPORTANT NOTICE

This information memorandum (the “**Information Memorandum**”) does not constitute a prospectus within the meaning of article 6.3 of and for the purpose of Regulation (EU) 2017/1129, as amended.

No such information memorandum will be approved by the *Autorité des marchés financiers* for the purpose of the listing and admission to trading of the Notes on Euronext Growth.

The Notes shall only be offered to qualified investors (*investisseurs qualifiés*) within the meaning of Regulation (EU) 2017/1129, as amended.

This Information Memorandum has been drawn up under the responsibility of the Issuer. It has been subject to an appropriate review of its completeness, consistency and comprehensibility by Euronext.

Euronext Growth is a market operated by Euronext. Issuers on Euronext Growth market, a multilateral trading facility, are not subject to the same rules as issuers on a regulated market. Instead, they are subject to a less extensive set of rules and regulations adjusted to small growth companies. The risk in investing in the securities admitted on Euronext Growth may therefore be higher than investing in securities admitted to trading on a regulated market. Investors should take this into account when making their investment decisions.

An investment in the Notes involves certain risks. Potential investors should review all the information contained or incorporated by reference in this Information Memorandum and, in particular, the information set out in the section entitled “*Risk Factors*” before making a decision to invest in the Notes.

Structuring Advisor
BANQUE HOTTINGUER

Global Coordinator and Sole Bookrunner
NATIXIS

This Information Memorandum should be read and construed in conjunction with all documents incorporated by reference herein (see “Documents Incorporated by Reference”) and which shall be deemed to be incorporated by reference in, and form part of, this Information Memorandum (except to the extent so specified in, or to the extent inconsistent with, this Information Memorandum).

Certain information contained in this Information Memorandum and/or documents incorporated herein by reference has been extracted from sources specified in the sections where such information appears. 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 the above sources, no facts have been omitted which would render the information reproduced inaccurate or misleading. The Issuer has also identified the source(s) of such information.

References herein to the Issuer are to CARAC and reference to the CARAC group are to the Issuer and its consolidated subsidiaries and affiliates taken as a whole (the “CARAC group”).

No person has been authorised to give any information or to make any representation other than those contained in this Information Memorandum 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, the Structuring Advisor or the Sole Bookrunner (as defined in “Subscription and Sale”). Neither the delivery of this Information Memorandum nor any offering or 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 CARAC group since the date hereof or the date upon which this Information Memorandum has been most recently supplemented or that there has been no adverse change in the financial position of the Issuer or that of the CARAC group since the date hereof or the date upon which this Information Memorandum has been most recently supplemented or that any other information supplied in connection with the issue of the Notes 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.

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

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. SUBJECT TO CERTAIN EXCEPTIONS, NOTES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS, except in transactions exempt from, or not subject to, the registration requirements of the Securities Act and in compliance with any applicable state securities laws. FOR A DESCRIPTION OF CERTAIN RESTRICTIONS ON OFFERS AND SALES OF NOTES AND ON DISTRIBUTION OF THIS INFORMATION MEMORANDUM, SEE “SUBSCRIPTION AND SALE”.

The Structuring Advisor and the Sole Bookrunner have not separately verified the information contained or incorporated by reference in this Information Memorandum. None of the Structuring Advisor or the Sole Bookrunner makes any representation, warranty or undertaking, express or implied, or accept any responsibility or liability, with respect to the accuracy or completeness of any of the information contained or incorporated by reference in this Information Memorandum or any other information provided by the Issuer in connection with the issue and sale of the Notes. Neither this Information Memorandum nor any information incorporated by reference in this Information Memorandum is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Issuer, the Structuring Advisor or the Sole Bookrunner that any recipient of this Information Memorandum or any 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 (a) the Issuer, the CARAC group and their respective businesses, financial conditions and affairs and (b) the terms of the offering, including the merits and risks involved. The contents of this Information Memorandum 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 Structuring Advisor or the Sole Bookrunner undertakes to review the financial condition or affairs of the Issuer or the CARAC group after the date of this Information Memorandum nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Sole Bookrunner. Potential investors should, in particular, read carefully the section entitled “Risk Factors” set out below before making a decision to invest in the Notes.

Neither this Information Memorandum nor any other information supplied in connection with the issue and sale of the Notes (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by the Issuer, the Structuring Advisor or the Sole Bookrunner that any recipient of this Information Memorandum or any other information supplied in connection with the issue and sale of the Notes should purchase any Notes. Neither this Information Memorandum nor any other information supplied in connection with the issue and sale of the Notes constitutes an offer or invitation by or on behalf of the Issuer, the Structuring Advisor or the Sole Bookrunner to any person to subscribe for or to purchase any Notes.

The Notes should only be purchased by investors who have sufficient knowledge and experience to properly assess the Notes and the risks relating to an investment in such Notes.

EU MIFID II product governance / Professional investors and ECPs only target market – Solely for the purposes of 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 19 of the Guidelines published by the European Securities and Markets Authority (ESMA) on 3 August 2023, has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the manufacturers’ 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 manufacturers’ target market assessment) and determining appropriate distribution channels.

IMPORTANT - PRIIPs Regulation / 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 both) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive 2016/97/EU, as amended, 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.

IMPORTANT – UK PRIIPs Regulation / Prohibition of sales to UK retail investors – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (**UK**). For these purposes, a retail investor means a person who is one (or both) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (**EUWA**); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000, as amended (the **FSMA**) and any rules or regulations made under the FSMA to implement Directive 2016/97/EU, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the **UK PRIIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

In this Information Memorandum, 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 pursuant to the Treaty establishing the European Community, as amended.

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IMPORTANT CONSIDERATIONS

The Notes may not be a suitable investment for all investors

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (a) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Information Memorandum;
- (b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including where the currency for principal or interest payments is different from the potential investor's currency;
- (d) understand thoroughly the terms of the Notes, such as the provisions governing a mandatory deferral of interest, understand under what circumstances a Regulatory Deficiency will or may be deemed to occur and be familiar with the behaviour of financial markets;
- (e) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks; and
- (f) consult its legal advisers in relation to possible legal or fiscal risks that may be associated with any investment in the Notes.

The Notes are complex financial instruments. Sophisticated institutional investors generally purchase complex financial instruments as part of a wider financial structure rather than as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in the Notes unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.

Potential conflicts of interest

The Sole Bookrunner and its 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 in relation to securities issued by any entity of the CARAC group. They have or may (a) engage in investment banking, trading or hedging activities including in activities that may include prime brokerage business, financing transactions or entry into derivative transactions, (b) act as underwriters in connection with offering of shares or other securities issued by any entity of the CARAC group or (c) act as financial advisers to the Issuer or other companies of the CARAC group. In the context of these transactions, the Sole Bookrunner has or may hold shares or other securities issued by entities of the CARAC group. Where applicable, it has or will receive customary fees and commissions for these transactions.

Taxation

Payments of interest and other assimilated revenues on the Notes, or profits realised by the Noteholder upon the disposal or repayment of the Notes, may be subject to taxation or documentary charges or duties in its home jurisdiction or in other jurisdictions in which it is required to pay taxes. In some jurisdictions, no official statements of the tax authorities or court decisions may be available for financial instruments such as the Notes. Potential investors are advised not to rely upon the general description contained in this Information Memorandum but to 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 each potential investor.

A Noteholder's effective yield on the Notes may be diminished by the tax impact on that Noteholder of its investment in the Notes.

FORWARD-LOOKING STATEMENTS

Certain statements contained herein are forward-looking statements including, but not limited to, statements that are predictions of or indicate future events, trends, business strategies, expansion and growth of operations plans or objectives, competitive advantage and regulatory changes, based on certain assumptions and include any statement that does not directly relate to a historical fact or current fact. The Issuer and the CARAC group may also make forward-looking statements in its audited annual financial statements, in its prospectuses, in press releases and other written materials and in oral statements made by its officers, directors or employees to third parties. Forward-looking statements are typically identified by words or phrases such as, without limitation, “anticipate”, “assume”, “believe”, “continue”, “estimate”, “expect”, “foresee”, “intend”, “may increase” and “may fluctuate” and similar expressions or by future or conditional verbs such as, without limitation, “will”, “should”, “would” and “could.” Undue reliance should not be placed on such statements, because, by their nature, they are subject to known and unknown risks, uncertainties, and other factors and actual results may differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements. Please refer to the section entitled “*Risk Factors*” below.

The Issuer operates in a continually changing environment and new risks emerge continually. Forward-looking statements speak only as of the date they are made and the Issuer does not undertake any obligation to update or revise, to reflect new information, future events or circumstances or otherwise on which any such statement is based after the date of admission to trading of the Notes on Euronext Growth.

RISK FACTORS

The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Notes. 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 the Notes are also described below.

The Issuer believes that the factors described below represent the principal risks inherent in investing in the Notes, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with the Notes may occur for other reasons and the Issuer does not represent that the statements below regarding the risks of holding the Notes are exhaustive. Prospective investors should read the entire Information Memorandum. The following is a disclosure of risk factors that are material to the Notes in order to assess the market risk associated with these Notes and risk factors that may affect the Issuer's ability to fulfil its obligations under the Notes. Prospective investors should consider these risk factors before deciding to purchase Notes. The following statements are not exhaustive. Prospective investors should consider all information provided in this Information Memorandum and consult with their own professional advisers if they consider it necessary. In addition, investors should be aware that the risks described may combine and thus intensify one another. The occurrence of one or more risks may have a material adverse effect on the own funds, the financial position and the operating result of the Issuer.

Each of the risks highlighted below could have a material adverse effect on the business, operations, financial conditions or prospects of the Issuer or the CARAC group, which in turn could have a material adverse effect on the amount of principal and interest which investors will receive in respect of the Notes. In addition, each of the risks highlighted below could adversely affect the trading price of the Notes or the rights of investors under the Notes and, as a result, investors could lose some or all of their investment.

Words and expressions defined in the section entitled "Terms and Conditions of the Notes" herein shall have the same meanings in this section.

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

1. RISK FACTORS RELATING TO THE ISSUER AND THE CARAC GROUP

1.1 Financial risks

Market fluctuations and general economic, market and political conditions may adversely affect the CARAC group's business and profitability

The CARAC group's business, financial condition, solvency margin, liquidity and results of operations are materially affected by conditions in the global financial markets and by economic conditions mainly in France, but not only. The CARAC group's total assets under management, at market value, represented EUR 20.1 billion as at 31 December 2024. The CARAC group manages its investments internally which allows timely portfolio adjustments to changing market conditions (see section 3.5 of the "Description of the Issuer").

A wide variety of factors negatively impact economic conditions and consumer confidence in Europe and contribute to ongoing volatility in financial markets, including notably concerns over the creditworthiness of certain sovereign issuers, the strengthening or weakening of foreign currencies against the Euro, the availability and cost of credit, rising trade tensions such as the current or contemplated tariff sanctions imposed by the United States ("trade wars"), and conflicts (such as those in Ukraine and the Middle East) posing a threat to global stability.

In addition, in an economic downturn characterised by higher unemployment, lower family income, reduced corporate earnings, decreased business investment and diminished consumer spending, the demand for the CARAC group's financial, insurance and protection products could be materially adversely affected. Besides, the CARAC group's policyholders may choose to defer or stop investing altogether or withdraw their savings from life insurance and savings products. However, owing to CARAC long-term savings profile, cyclical effects

are relatively subdued. In addition, since 2024 life insurance savings outperformed other regulated life savings products.

This risk is considered to be “significant”.

Credit spread and interest rate volatility, as well as credit risk may adversely affect the CARAC group’s and the Issuer’s profitability

CARAC group exposures to interest rates and credit spreads primarily relate to market price and cash flow variability associated with changes in interest rates and credit spreads.

A widening of credit spreads will generally reduce the value of fixed income securities of the CARAC group and the Issuer hold and increase their respective investment incomes associated with purchases of new fixed income securities. Fixed income investment products (excluding unit-linked products) represent 74 per cent of the total financial assets of the CARAC group as at 31 December 2024 (French GAAP valuation). Conversely, credit spread tightening will generally increase the value of fixed income securities the CARAC group and the Issuer hold and reduce the CARAC group’s and the Issuer’s investment incomes associated with new purchases of fixed income securities in the CARAC group’s and the Issuer’s investment portfolios.

Changes in the interest rates may negatively affect the value of the CARAC group’s and the Issuer’s assets and the CARAC group’s and the Issuer’s ability to realise gains or avoid losses from the sale of those assets, all of which also ultimately affect earnings. During periods of declining interest rates, the CARAC group’s and the Issuer’s investment earnings may decrease due to a decline in interest earnings on the CARAC group’s and the Issuer’s investments associated with new purchases of fixed income securities in its investment portfolios and with interest earnings in relation to floating rate securities. Sustained low interest rates and an unstable economic context may also result in an increase in unrealised capital gains on investments, and an increase in technical commitments (liabilities) and a negative impact on the CARAC group’s and the Issuer’s solvency ratio.

Conversely, in periods of increasing interest rates, there may be a decrease in the estimated fair value of certain fixed income securities that CARAC group and the Issuer hold in their investment portfolios, resulting in reduced levels of unrealised and realised capital gains available to the CARAC group and the Issuer, which could negatively impact the CARAC group’s and the Issuer’s liquidity and solvency margin positions.

In addition to the foregoing market risks, the CARAC group and the Issuer are exposed to credit risk, namely the risk of loss arising from a deterioration in the credit quality or a default of issuers of corporate and sovereign bonds and other fixed-income securities held in their portfolios which may lead to declines in fair values, increased impairments and reduced capacity to generate capital gains. As at 31 December 2024, the vast majority of the CARAC group’s portfolio consists of sovereign and quasi sovereign bonds (52 per cent. of the total listed bonds portfolio) and corporate bonds. The average rating of the portfolio is A.

Ongoing volatility in interest rates and credit spreads, individually or together with other factors (such as lack of market liquidity, declines in equity prices, the strengthening or weakening of foreign currencies against the Euro, and/or structural reforms or other changes made to the Euro, the Eurozone or the European Union) together with the inherent credit risk on issuers held in portfolio, could have a material adverse effect on the CARAC group’s and the Issuer’s businesses, financial conditions, solvency II margins, liquidity and results of operations through realised losses, impairments, and changes in unrealised gains and loss positions and on the behaviour and commercial choice of insured clients and in turn have a material adverse effect on the Issuer and the CARAC group. These market and credit risks are systemic in nature and can propagate across markets and institutions, amplifying adverse outcomes for the CARAC group and the Issuer.

Despite the credit quality of the portfolio, the impact of credit risk on the Issuer and the CARAC group is considered to be “significant”.

Liquidity risk

The CARAC group needs liquidity to pay its operating expenses (including to pay its claims and surrenders). The CARAC group’s liquidity risk consists of a potential loss due to the rapid sale of invested assets in order to realise cash available to meet the CARAC group’s liabilities as they become due. In addition, unit-linked contracts are covered by assets held in dedicated portfolios and a liquidity risk may arise if the value of the

underlying assets declines relative to the book value of unit-linked liabilities and policyholders simultaneously surrender or switch.

The availability of additional financing to supplement internal liquidity resources will depend on a variety of factors such as market conditions, the overall availability of credit to the financial services industry, the CARAC group's credit capacity, as well as the possibility that customers or lenders could develop a negative perception of the CARAC group's long-term or short-term financial prospects if it incurs large investment losses or if the level of its business activity decreases due to a market downturn. While the CARAC group has a liquidity risk management in place including monitoring the prospective cash flows and in particular those linked to the liabilities (claims, premium payments, taxes, etc.) and the amount of the portfolio for which liquidity is above a year, liquidity constraints over a prolonged period may have an adverse effect on the CARAC group's business, financial condition, solvency margin, liquidity and results of operations.

This risk is considered to be "moderate".

Equity market risk

Equity market levels and returns on equity investment constitute a part of the overall profitability of the CARAC group. Recently, global equity markets have experienced historical levels of volatility, and the outlook and fluctuations are uncertain in financial markets. These market and economic factors could persist throughout the end of 2025 and could have a material adverse effect on the CARAC group's business, financial condition, solvency margin, liquidity and results of operations in 2026.

As at 31 December 2024, equity represented 8% of the CARAC group portfolio.

This risk is considered to be "moderate".

Real estate risk

The CARAC group is exposed to real estate risk, reflected by an inadequate return on assets (fall in income and/or realised capital gains) or a decrease in unrealised capital gains. Lower yields on real estate investments could have a moderate impact on the net income and a decrease in unrealised capital gains (or an increase in unrealised capital losses) could directly affect the CARAC group's solvency.

At 31 December 2024, real estate assets represented 9% of the CARAC group portfolio and are mainly located in Paris and greater Paris.

Real estate risk is considered to be "moderate".

Counterparty risk

The CARAC group is exposed to counterparty risk on reinsurers, custodians and banking partners, settlement and payment institutions, derivative and liquidity counterparties and critical outsourced service providers, where defaults, downgrades, delayed settlements or service interruptions may cause cancellations, surrenders, complaints, remediation costs, regulatory sanctions, investment losses and operational disruption. Any default by counterparties and debtors or unavailability of a subcontractor exposes the CARAC group to possible losses as a result of a counterparty's default or unavailability of a subcontractor. This in turn could have a material adverse effect on the CARAC group's business, financial condition, solvency margin, liquidity and results of operations.

This risk is considered to be "moderate".

1.2 Legal risks

Risk of non-compliance with government policy, regulation, legislation or regulations

The CARAC group operates in a highly regulated environment and is subject to national (in particular in France), supranational and international rules that govern virtually all aspects of its business and are primarily intended to protect policyholders. Beyond prudential standards, this framework also encompasses EU consumer protection and product governance rules that shape how insurance products are designed, presented and distributed. In practice, this means that the CARAC group must apply enhanced disclosure and transparency requirements for retail products (including cost presentation and key information documents), maintain robust product oversight and governance arrangements, implement suitability and appropriateness assessments and conflicts of interest controls, and ensure that marketing communications are fair, clear and not misleading, while meeting high professional standards for distributors. Within this framework, the Insurance Distribution Directive (EU) 2016/97 and its Delegated Regulations, as amended to integrate sustainability factors, and the PRIIPs Regulation (EU) 1286/2014 and its implementing measures on KIDs, are particularly influential, as they drive the CARAC group's approach to product governance and client-facing information throughout the distribution chain. In addition, evolving EU initiatives to increase the transparency and comparability of costs by imposing standardised cost presentation and terminology—so that retail investment products deliver clear value for money—may tighten expectations on product design, pricing and disclosures, and thereby heighten compliance, operational and conduct risks.

More broadly, the CARAC group must also comply with licensing and supervisory requirements, rate setting, trade practices, policy reforms, anti-money laundering, anti-corruption and anti-terrorist-financing rules and their effectiveness, underwriting and claims practices, adequacy of claims provisions, capital and surplus requirements, insurer solvency, underwriting standards and increased regulatory and law enforcement scrutiny of “know-your-customer” obligations. Applicable rules also include sustainable finance disclosures, consumer protection, governance, ethics and professional conduct, financial security, data protection and insurance distribution regulations. As the breadth and complexity of these requirements increase, so do the costs and the operational challenges of compliance, along with the risk of non-compliance. Any failure by an entity of the CARAC group or by the Issuer to meet applicable requirements could trigger regulatory or other investigations, fines, or even the suspension or cancellation of insurance licences, with adverse effects on the CARAC group's ability to conduct its business. Significant regulatory action could also result in material financial impacts, reputational harm, or impair the CARAC group's business prospects.

Furthermore, since 17 January 2025, Regulation (EU) 2022/2554 on digital operational resilience (DORA) applies to EU financial institutions, including insurers. Any failure to comply with the DORA regulation exposes the Group to significant regulatory and financial sanctions which may in turn lead to a loss of trust from members, policyholders, partners, and supervisory authorities. The CARAC group may also experience a business interruption which may affect adversely its continuity and solvency. It also increases the risk of a major cyber incident due to insufficient digital resilience.

As an example of significant change in legislation applicable to the Issuer, the EU has adopted a full-scale revision of the solvency framework and prudential regime applicable to insurance and reinsurance companies with the entry into force of Directive (EU) 2025/2 of the European Parliament and of the Council, amending Solvency II Directive. Under such directive, insurers are, for example, required to hold funds equal to or in excess of a solvency capital requirement (“SCR”) and a minimum capital requirement (“MCR”). Potential non-compliance with solvency requirements could have a material adverse effect on the CARAC group's business, results of operation and financial condition.

Regulatory changes may also require adjustments to the CARAC group's range of products and services, investment, reinsurance or hedging positions, capital management or tax burden, or lead to other compliance costs. The outcome and timing of future policy or legislative changes cannot be predicted, and new or amended insurance laws and regulations may prove more restrictive, increase costs, standardise offerings or limit growth, which could prompt surrender risk and changes in policyholder behaviour or otherwise materially adversely affect operations.

In addition, the CARAC group may be adversely affected by changes in government policy or legislation applying to companies in the insurance industry, including possible changes in the regulation of selling practices or the regulations covering the provident pension system.

Similarly, changes to tax laws and tax schemes, in particular in France, may have material adverse consequences on some of the CARAC group's products and reduce their attractiveness.

This risk is considered to be "moderate".

Legal proceedings and litigation may adversely affect the CARAC group's business, financial condition and results of operations

All insurance companies, including mutual life insurers, are exposed to litigation or arbitration relating to claims on policies they underwrite. Judicial decisions may expand coverage beyond the CARAC group's pricing and reserving assumptions including through adverse interpretations of contractual provisions typical of life insurance (such as the clarity, validity, acceptance and enforceability of beneficiary clauses). There can be no assurance that the outcome of any of the CARAC group's judicial proceedings will be covered by their existing provisions for outstanding claims or their reinsurance protections or that litigation would not otherwise have a material adverse effect on its business, reputation, financial condition, solvency margin and results of operations. There are no governmental, judicial or arbitration proceedings, including any proceedings the CARAC group would be aware of, pending or which the CARAC group could be threatened with, likely to have a significant impact on the CARAC group's business, financial conditions or results of operation over the last 12 months.

This risk is considered to be "low".

1.3 Insurance risks

Misalignment risk between asset and liability cash flows

The asset-liability management (ALM) risk corresponds to the risk of misalignment between the financial characteristics of the assets held by the CARAC group and those of its commitments to policyholders. This risk arises from the different sensitivities of assets and liabilities to changes in interest rates, inflation, or policyholder behaviour.

The life insurance and retirement business is based on long-term commitments, often accompanied by guaranteed returns or surrender options. In a low interest rate environment, the valuation of liabilities increases more rapidly than that of bond assets, weighing on financial margins. Conversely, a sharp rise in interest rates may lead to unrealized losses on bond portfolios and trigger higher surrender rates, thereby increasing liquidity pressure.

Although asset-liability management is a key component of financial steering, aimed at ensuring consistency between the structure of liabilities and the composition of asset portfolios, this risk could have a material adverse effect the CARAC group profitability, liquidity, and solvency.

This risk is considered to be "moderate".

Surrender risk in respect of savings contracts

Savings contracts include a surrender clause allowing policyholders to request reimbursement of all or part of their accumulated savings. The surrender risk is the risk associated with a change in the level or volatility of the surrender rate.

The CARAC group's life insurance business is exposed to the risk of surrender volumes being higher than the forecasts used for asset liability management purposes. Traditional savings products are exposed to surrender risk, which could especially occur in the event of a sharp and rapid increase in interest rates. The CARAC group's mutualist identity and heritage are reflected in its membership and product suite through a strong affinity with the veterans and defence community, which represents a significant portion of its members. This affinity strengthened by a pronounced intergenerational bond and a death benefit capital retention rate of about 40%, in excess of market benchmarks, has historically contributed to notably low surrender rates. Moreover, the technical provisions of the *Retraite mutualiste du combattant* product cannot be surrendered, which reduces the extent of the impact of a surrender risk on the CARAC group's balance sheet.

The PACTE law that came into effect in France in 2019 required insurers to include a clause in their policies allowing for this.

An increase in such surrender rates may result in a loss of income from the financial products and charges levied on the savings contracts that have been surrendered. In the event of a large-scale surrender, despite possible regulatory and financial mitigators, the CARAC group would be exposed to the risk of loss linked to the sale of assets with unrealised capital losses which could have a material adverse effect on the CARAC group's business, financial condition, solvency margin, liquidity and results of operations.

This risk is considered to be "moderate".

Underwriting risk resulting from mortality or longevity

The CARAC group is exposed to life underwriting risk, namely the risk that uncertainties in assessing life insurance liabilities (technical provisions) lead to adverse deviations in key assumptions (including mortality, morbidity/disability, lapse and other behavioural or expense assumptions). As at 31 December 2024, *Retraite mutualiste du combattant* represented approx. Euro 3.4 billion (24.8%) and savings Euro 6.4 billion (46%) in insurance assets under management (assets under management comprising €13.7 billion in traditional general account assets and €2.4 billion in unit-linked assets). The assessment of these risks is at the centre of underwriting in life insurance, and may have an impact on pricing and reserving made by the CARAC group. The occurrence of such risks may expose the CARAC group to greater than expected liabilities, which may have a material adverse effect on its business, financial conditions, solvency margins, liquidity and results of operations.

There is a significant risk posed by pandemics. In addition, legislative and regulatory initiatives implemented, and court decisions rendered, following pandemics may materially adversely impact the CARAC group's business, financial condition, solvency margin, liquidity and results of operations.

This risk is considered to be "moderate".

Provision risk

This risk may arise if insufficient provision is made to meet commitments due to wrong assessment of available data, subsequent change of internal and external factors or inappropriate calculation parameters. It covers the risk that the technical provisions are inadequate to cover the obligations linked to the claims that arise. The CARAC group's reserve levels are based on assumptions and estimates established thanks to actuarial projection techniques. On a solo basis in 2024, the Issuer's credited rate on traditional life funds was 2.7%, compared with a return on investments of 3.6% and an average guaranteed rate of 0.7%. While the average guaranteed rate is currently low by historical standards, it nevertheless does not eliminate the risk that adverse shifts in assumptions or market conditions.

Therefore, the occurrence of such a risk could negatively affect the financial results and solvency of the Issuer and the CARAC group.

This risk is considered to be "moderate".

1.4 Strategic risks

Risks related to the reputation of the CARAC group

The CARAC group's reputation is an essential element in the development of its product offering to the market, enabling the CARAC group to retain existing policyholders and attract new ones. The sector in which the CARAC group operates is subject to the risk of high media exposure, which can benefit and harm the CARAC group. Reputation is a particularly sensitive subject given that the CARAC group operates in a constantly evolving market where policyholders rely on trust, safety of savings, quality of service, advice and long-term performance when deciding to purchase products and services.

Accordingly, any deterioration of this reputation could have a material adverse effect on its business, financial position, results and prospects.

This risk is considered to be “moderate”.

Risks of improper development decisions or business model

As a mutual life insurer specialised in life-savings, retirement and wealth advisory, the CARAC group develops its activities in a complex and constantly changing economic, technological, regulatory and societal environment, requiring constant adaptations of its business model. The CARAC group is therefore exposed to strategic risks which could result from inappropriate decisions in the definition and implementation of strategic orientations regarding their economic and competitive environment. Such inappropriate decisions could also affect the SCR ratio and MCR ratio of the Issuer.

Adverse market developments or an inadequately adapted strategy could materially affect the CARAC group’s business model, competitive positioning and prudential situation (including its solvency margin), whether as a result of exogenous factors or internal strategic choices. The CARAC group is especially active in the life-savings and retirement markets, which evolve rapidly in response to the economic, geopolitical and financial climate as well as the regulatory and tax environment, all of which influence policyholders’ saving power, risk aversion, confidence in the future and investment choices. Recent changes in interest rates have significantly affected the life insurance market and its relative attractiveness compared with other wealth management instruments.

In particular, the CARAC group distribution model is based on a combination of an internal sales force for CARAC and a third-party distribution network for Selencia that includes independent wealth management advisers, primarily involved in the CARAC group’s life-savings business, as well as brokers and other intermediaries, to market life-savings, retirement, and protection products to its policyholders which are subject to the risk of not being renewed or to be renewed at less favourable terms.

If the group’s product offer, distribution model or asset-liability management were not appropriately adjusted to these developments, this could adversely impact new business volumes, margins, surrender behaviour, investment returns and, ultimately, have a material adverse impact on the CARAC group’s results, reputation and financial situation.

This risk is considered to be “moderate”.

The CARAC group faces strong competition

There is substantial competition in France in life-savings, retirement and protection products. The CARAC group’s competitors include not only insurance companies through their “*bancassurance*” activities, but also health mutual insurance companies, provident institutions (*institution de prévoyance*), asset management firms, private equity firms, hedge funds and commercial and investment banks.

In addition, development of alternative distribution channels for certain types of insurance, reinsurance and securities products, including through the internet, and the development of new actors such as fintech companies and credit institutions, which generally benefit from less extensive regulatory requirements (including less strict capital requirements) as well as from data synergies or technological innovation, may result in increasing competition as well as pressure on margins for certain types of products. The effect of competitive market conditions may have a material adverse effect on the CARAC group’s business, financial condition, solvency margin, liquidity and results of operations.

This risk is considered to be “moderate”.

Risks related to CARAC group’s growth strategy

The CARAC group’s development strategy relies in part on external acquisitions, notably for the distribution, life insurance products, financial products and tailored advisory services of life-savings, retirement and protection products, and with asset managers, reinsurers and outsourced service providers.

In line with such strategy, the CARAC group has undertaken targeted acquisitions (including Selencia in 2023 and a majority stake in Astream in 2024) and is buying the Astoria group. The group and may evaluate further opportunities in the future. External growth transactions involve substantial amount of management time, which

may be diverted from operations to carry out such transactions, and involve the risk that assumptions or analyses could prove erroneous or incomplete. This risk relates to financial aspects (including acquisition price), strategic benefits, synergies, and other benefits and/or risks. Moreover, such transactions may be impacted or may not be completed due to regulatory risks including approvals and potential impositions by regulators of financial and other terms.

Financial consequences of such transactions may include new debt issuances, financing arrangements, and the incurrence of additional costs. In addition, the CARAC group is exposed to integration risks from newly acquired companies relating to their IT, operations or employees. Any of the foregoing risks in connection with acquisitions could materially and adversely affect our business, financial condition, results of operations, growth and solvency position.

This risk is considered to be “moderate”.

Risks relating to the contemplated acquisition of a majority stake in Astoria, a wealth management group

The CARAC group’s development strategy relies in part on external growth. In this context, the CARAC group is contemplating the acquisition of a majority stake in the Astoria group, a wealth management group in France. External growth transactions involve a number of specific risks in addition to those already described under “Risks related to CARAC group’s growth strategy”, including (i) execution risks (deal timing, confirmatory due diligence, regulatory approvals and potential conditions imposed by supervisory authorities), (ii) strategic risks (the risk that expected synergies, business complementarities, distribution enhancements or financial benefits may not materialise, may take longer than anticipated to materialise, or may require higher-than-expected costs to achieve), and (iii) integration risks (systems, operations, finance, compliance, culture and human capital), potentially diverting management attention from ongoing operations and affecting the CARAC group’s cost base and operational efficiency.

Although the Issuer intends to manage these risks within its risk appetite and prudential constraints, any adverse developments in connection with the contemplated acquisition (including failure to complete, completion on less favourable terms than anticipated, delays or integration challenges) could have a material adverse effect on the CARAC group’s business, results of operations, reputation, solvency margin and financial condition.

This risk is considered to be “moderate”.

1.5 Operational risks

Cybersecurity and risks associated with the occurrence of operational incidents leading to business interruption

Operational risk is inherent in the CARAC group’s business and can manifest itself in various ways, including business interruption, unavailability of premises or key employees, poor vendor performance or default (including under significant outsourcing arrangements), information systems malfunctions or failures, cybercrime and hacking incidence and/or other unauthorised intrusions into the CARAC group’s websites and/or information systems, regulatory breaches, human errors, employee misconduct, and external fraud, fire or epidemic.

Although the CARAC group has developed a crisis management and business continuity plan and an IT contingency plan, the occurrence of an operational incident may have severe consequences on the CARAC group’s employees, property, customers or reputation. This type of risk may also be expressed as an extended interruption of the business of the CARAC group. Furthermore, the steady increase in the number of security incidents (attempted hacking of information systems) demonstrates the potential scale of this risk. A cyberattack on their information systems could have the following prejudicial consequences on the CARAC group: the disclosure of sensitive and personal data relating to policyholders, the deterioration of the CARAC group’s reputation, a loss of confidence from policyholders and potential judicial, administrative and/or disciplinary sanctions, which could result in a decline in turnover and profit.

If the CARAC group was no longer able to maintain and continue to operate its information security, premises, human resources, and service, any occurrence of operational incidents leading to business interruption, could have a significant material adverse impact on the CARAC group’s results, business, reputation and financial situation.

This risk is considered to be “significant”.

Risk relating to data quality

The CARAC group is exposed to risks arising from the use of poor-quality data. Such risks relate to the non-compliance of the data quality control system with the regulator’s expectations, as well as the consequences in the event of insufficient data quality. Indeed, poor-quality data can lead to flawed strategic decisions and provisioning that does not match the risks, which can result in insufficient commitments.

These data quality risks could have an operational impact (such as pricing errors, irregularities in investment activities or in the processing of insurance flows), a regulatory impact and a reputational impact (reputational risk). They may also lead to an increase in fraud, thus having a negative impact on the profitability of the CARAC group.

The CARAC group’s business conduct and expectations of policyholders could have an adverse effect on the development and profitability of the CARAC group.

This risk is considered to be “moderate”.

Risk relating to outsourcing

The CARAC group outsources certain activities identified as significant and critical to subcontractors and management service providers. These outsourcing arrangements do not directly concern its core business activities, but relate to specific expertise or capacities such as data center hosting, look-through reporting of financial assets, temporary reinforcement of portfolio management during peak activity periods, and, on a more limited basis, a delegation of investment management for a minor product.

As a consequence, such outsourcing leads to different risks relating to the outsourced activities: disruption of operations, lack of quality service, security breaches in the information systems due to security failures, data theft, internal or external fraud and, possibly, litigations that could damage the reputation of the CARAC group.

When setting up such outsourced activities, specific clauses are included in contracts or management agreements and a regular monitoring is implemented within the CARAC group to quickly identify the level of risk and to take appropriate decisions when necessary. However, a critical failure to perform outsourced services could have an adverse effect on the CARAC group’s business and profitability.

This risk is considered to be “moderate”.

1.6 Other risks

Sustainability risks

The CARAC group’s and the Issuer’s impact on the environment is mainly through their internal operations, their property management activity and investment policy.

Indeed, as climate change is part of society’s main concern today, policyholders could decide to terminate their insurance contract in order to choose another insurance company which they deem more actively involved in environmental matters than CARAC group and the Issuer. This would have an adverse effect on the Issuer’s and the CARAC group’s businesses, financial conditions, solvency margins, liquidity, results of operations as well as a decline in CARAC group’s and the Issuer’s attractiveness.

Moreover, adjustments towards a decarbonized economy could result in stock market depreciations of the CARAC group’s and the Issuer’s carbon assets. Furthermore, investments made by the CARAC group and the Issuer in activities with a high carbon footprint might be discontinued in the future due to their non-compliance with the increasing number of environmental transition regulations or non-suitability to the environmental transition processes.

The environmental related obligations and risks evolve with time and are becoming more and more stringent and insurers—including mutual life insurers—face increasing scrutiny regarding their role in financing the transition to a low-carbon economy. Directive (EU) 2025/2 of the European Parliament and of the Council of 27 November 2024 amending the Solvency II Directive (Directive 2009/138/EC) resulted in additional rules for

insurance and reinsurance businesses, such as centralised climate stress tests in the (re)insurance sector by the European Insurance and Occupational Pensions Authority (EIOPA).

Failure to comply with these additional rules and applicable requirements or to meet policyholders' expectations (including risks of perceived greenwashing), as well as limitations in data, methodologies and issuer disclosures, could lead to litigation, regulatory action, reputational harm, increased costs and constraints on business activities. In addition, the CARAC group's transition objectives toward 2027, while supportive of its strategy, involve execution and market risks and may be affected by evolving definitions, taxonomies and metrics; delays or shortfalls in delivery could have a material adverse effect on the Issuer's and the CARAC group's business, financial condition and results of operations.

This risk is considered to be "moderate".

2. RISK FACTORS RELATING TO THE NOTES

In addition to the risks relating to the Issuer that may affect the Issuer's ability to fulfil its obligations under the Notes, there are certain factors which are material for the purpose of assessing the risks associated with an investment in the Notes.

2.1 Risks relating to the Market of the Notes

Liquidity risks and market value of the Notes

Although an application has been made for the Notes to be admitted to trading on the Euronext Growth Market, an active market in the Notes may not develop or, if such a market does develop, it may not be sustained or offer sufficient liquidity. 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, political events in France or elsewhere, including factors affecting capital markets generally and the stock exchanges on which the Notes or the reference rate are traded, the financial condition and the creditworthiness of the Issuer and/or the CARAC 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 outstanding amount of the Notes, any redemption features of the Notes and the level, direction and volatility of interest rates generally. Such factors will affect the market value of the Notes. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market, and in certain circumstances such investors could suffer loss of their entire investment.

The 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. The degree of liquidity of the Notes may have a negative impact on the price at which an investor can dispose of the Notes where the investor is seeking to achieve a sale within a short timeframe. Investors may not be able to sell Notes readily or at prices that will enable investors to realise their anticipated yield. The purchased Notes may not be readily tradable and the value of Notes may fluctuate over time and such fluctuations may be significant. No investor should purchase Notes unless the investor understands and is able to bear the risk that the Notes will not be readily sellable, that the value of Notes will fluctuate over time and that such fluctuations will be significant.

The price at which a Noteholder will be able to sell the Notes prior to redemption by the Issuer may be at a discount, which could be substantial, from the issue price or the purchase price paid by such purchaser. The Issuer or its subsidiaries are entitled to buy the Notes, which shall then be cancelled or caused to be cancelled, and to issue further Notes which may or may not be assimilated to the Notes. Such transactions may favorably or adversely affect the price development of the Notes. If additional and competing products are introduced in the markets, this may adversely affect the value of the Notes.

Credit ratings may not reflect all risks

The Notes have been rated BBB+ by S&P Global Ratings Europe Limited (**S&P**). The rating 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. A qualification, downgrade or withdrawal of the ratings mentioned above may adversely affect both the value of the Notes or their marketability in secondary market transactions and adversely affect the Issuer's ability to issue new notes. In addition, rating agencies other than S&P could seek to rate the Notes and if such unsolicited ratings are lower than the comparable ratings assigned to the Notes by S&P, those unsolicited ratings could have an adverse effect on the value and the marketability of the Notes.

Any decline in the credit ratings of the Issuer may affect the market value of the Notes

S&P has assigned an A (stable outlook) debt rating to the Issuer. S&P or any other rating agency may change its methodologies for rating securities with features similar to the Notes in the future. This may include the relationship between ratings assigned to an issuer's senior securities and ratings assigned to securities with features similar to the Notes, sometimes called "notching". If the rating agencies were to change their practices for rating such securities in the future and the ratings of the Notes were to be subsequently lowered or withdrawn, this may have a negative impact on the trading price of the Notes.

Exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Notes in Euro (the "**Specified Currency**"). This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (i) the Investor's Currency equivalent yield on the Notes, (ii) the Investor's Currency equivalent value of the principal payable on the Notes and (iii) the Investor's Currency equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

2.2 Risks related to the Notes generally

Modification and waiver

Condition 11 (*Representation of the Noteholders*) provides that the Noteholders will be grouped automatically for the defence of their respective common interests in a *Masse* (as defined in Condition 11 (*Representation of the Noteholders*)), and contains provisions for Noteholders to consider matters affecting their interests generally to be adopted either through a general meeting or a written consultation. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant general meeting or did not vote through the written consultation, and Noteholders who voted in a manner contrary to the relevant majority. General meetings or written consultations may deliberate on any proposal relating to the modification of the conditions of the Notes subject to the limitations provided by French law. If a decision is adopted by a majority of Noteholders and such modifications were to impair or limit the rights of the Noteholders, this may have a negative impact on the market value of the Notes and hence Noteholders may lose all or part of their investment.

French Insolvency Law

The application of French insolvency law to an insurance company as the Issuer is subject to the prior permission of the Relevant Supervisory Authority before the opening of any safeguard, judicial reorganisation or liquidation procedures.

Directive (EU) 2019/1023 on preventive restructuring frameworks, on discharge of debt and disqualifications, and on measures to increase the efficiency of procedures concerning restructuring, insolvency and discharge of debt, and amending Directive (EU) 2017/1132 has been transposed into French law by the Ordonnance 2021-1193 dated 15 September 2021. Such ordonnance, applicable as from 1st October 2021, amends French insolvency laws notably with regard to the process of adoption of restructuring plans under insolvency proceedings (safeguard procedure (*procédure de sauvegarde*), accelerated safeguard procedure (*procédure de*

sauvegarde accélérée) and judicial reorganisation proceedings (*procédure de redressement judiciaire*). According to this ordonnance, parties whose rights are affected by the proposed restructuring plan (“**affected parties**”) shall vote on the proposed plan be treated in separate classes. Classes shall be formed in such a way that each class comprises claims or interests with rights that reflect a sufficient commonality of interest based on verifiable criteria. Therefore, Noteholders will no longer deliberate on the proposed restructuring plan in a separate assembly, meaning that they will no longer benefit from a specific veto power on this plan. Instead, as any other affected parties, the Noteholders will be grouped into one or several classes (with potentially other types of creditors).

The decision of each class is taken by a two-third (2/3rd) majority of the voting rights of the participating members, no quorum being required. If the restructuring plan is approved by all classes of affected parties, the court ratifies the plan after verifying that certain statutory conditions are met. If the restructuring plan is not approved by all classes of affected parties, it can still be ratified by the court at the request of the Issuer or of the receiver with the Issuer’s consent and be imposed on dissenting classes through a cross-class cram down, under certain additional conditions.

For the avoidance of doubt, the provisions relating to the meeting of Noteholders described in Condition 11 (*Representation of the Noteholders*) will not be applicable to the extent they are not in compliance with compulsory insolvency law provisions that apply in these circumstances.

The commencement of insolvency proceedings against the Issuer would have a material adverse effect on the market value of Notes issued by the Issuer. In addition, the vote of the classes of affected parties and the decision of the court on the restructuring plan could negatively and significantly impact the Noteholders and cause them to lose all or part of their investment, should they not be able to recover all or part of the amounts due to them from the Issuer.

Investors have recourse only to the Issuer

The Notes are the liabilities of the Issuer only, and investors will therefore only have recourse to the Issuer for payments due under the Notes. Investors will not have any direct claims on the cash flows or the assets of the Issuer’s subsidiaries and no subsidiary has an obligation, contingent or otherwise, to pay amounts due under the Notes or to make funds available to the Issuer for these payments. There are no guarantees provided by the members of CARAC group or any other persons in relation to the Notes and the Notes do not benefit from any security. Investors must therefore make an informed assessment of the creditworthiness of the Issuer. Generally, creditors of a subsidiary, including secured creditors and creditors holding indebtedness and guarantees issued by the subsidiary, and preferred shareholders, if any, of the subsidiary, will be entitled to the assets of that subsidiary before any of those assets can be distributed to shareholders upon liquidation or winding up. As a result, the Issuer’s obligations under the Notes will effectively be subordinated to the prior payment of all the debts and other liabilities, including the right of creditors of the Issuer’s direct and indirect subsidiaries.

Regulatory actions against the Issuer or an insurer in the CARAC group in the event of resolution could materially adversely affect the value of the Notes

On 28 November 2017, the ordinance no 2017-1608 of 27 November 2017 (the “**Ordinance**”) establishing a resolution framework for insurers (*Ordonnance no 2017-1608 du 27 novembre 2017 relative à la création d'un régime de résolution pour le secteur de l'assurance*) was published and, together with the implementing decree no. 2018-179 dated 13 March 2018 and Order (*arrêté*) dated 10 April 2018, it is setting out the French legal framework providing effective resolution strategies for French insurers. The Ordinance is designed to provide the French supervision authority i.e. the *Autorité de contrôle prudentiel et de résolution* (the “**ACPR**”) with a credible set of tools to intervene in an institution and certain of its affiliates (each a relevant entity) that is failing or likely to fail (as defined in the Ordinance) so as to ensure the continuity of the institution’s critical financial and economic functions, while minimising the impact of the institution’s failure on the economy and financial system.

The main tools include *inter alia* bridge institution (*établissement-relais*) or asset and liability management vehicle (*structure de gestion des actifs et des passifs*), asset separation and administrator (*administrateur de résolution*). Due to the fact that resolution powers are intended to be used prior to the point at which ordinary insolvency proceedings would have been initiated in respect of the Issuer, Noteholders may not be able to

anticipate any potential exercise of the powers nor the potential impact on the Issuer, the CARAC group or the Notes of any exercise of such powers.

The impact of the Ordinance and its implementing provisions on insurance institutions, including the Issuer or any insurer within its CARAC group, is currently unclear but its current and future implementation and applicability to the Issuer and the CARAC group or the taking of any action pursuant to it could materially affect the rights of the Noteholders, the activity and financial condition of the Issuer and the CARAC group, the value of the Notes and could lead to holders losing some or all of the value of their investment in such Notes.

For the avoidance of doubt, the current resolution powers do not contain any bail-in power as for credit institutions under the bank recovery and resolution directive but the implementation of the IRRD (as defined below) as adopted by the European Parliament and the Council on 27 November 2024 will trigger, once implemented in France by 29 January 2027, the entry into force of the write-down or conversion tool which consider all capital instruments and all liabilities of the Issuer and comply with the IRRD requirements, notwithstanding the fact that the conversion of eligible liabilities into capital instruments may only be applied to insurance claims where the resolution authority justifies that the resolution objectives cannot be achieved through other resolution tools, or that the conversion of insurance claims would lead to a better protection for policy holders compared to the use of any other resolution tool and the write down of their claims.

2.3 Risks relating to the structure of the Notes

The Notes are subordinated obligations of the Issuer

In accordance with Condition 3 (*Status of the Notes and Subordination*), the obligations of the Issuer under the Notes in respect of principal, interest and other amounts, constitute Ordinary Subordinated Obligations in accordance with the provisions of Article L.228-97 of the French *Code de commerce*.

Subject to applicable law, if any judgment is rendered by any competent court declaring the judicial liquidation (*liquidation judiciaire*) or, following an order of judicial recovery procedure (*redressement judiciaire*) of the Issuer, or if the Issuer is liquidated for any reason, the rights of the Noteholders in respect of principal and interest (including any outstanding Additional Amount) and any Arrears of Interest will be subordinated to the payments of claims of other creditors of the Issuer such as other obligations (including without limitation 1st Ranking Senior Subordinated Notes) expressed to rank senior to Ordinary Subordinated Obligations, if any, and Unsubordinated Obligations (including, without limitation, depositors and creditors whose claims arise under contracts entered into for the purposes of any liquidation and the claims of policyholders of the Issuer), any Mutual Certificates of the Issuer, any *titres participatifs* issued by or any *prêts participatifs* granted to the Issuer and any Deeply Subordinated Obligations.

In the event of incomplete payment of creditors ranking senior to holders of the Notes (in the context of voluntary or judicial liquidation of the Issuer, bankruptcy proceedings or any other similar proceedings affecting the Issuer) the obligations of the Issuer in connection with the Notes and related interest will be terminated. Thus, the Noteholders face a higher credit risk than holders of Unsubordinated Obligations, Senior Subordinated Obligations or other obligations (including without limitation 1st Ranking Senior Subordinated Notes) expressed to rank senior to Ordinary Subordinated Obligations and could then lose all or some of their investment if the Issuer becomes insolvent. The Notes may pay a rate of interest higher than comparable Notes which are not subordinated but investors bear a higher risk of losing all or some of their investment should the Issuer become insolvent.

The ranking of Ordinary Subordinated Obligations may be subject to change in certain circumstances

The Issuer's obligations under the Notes will be unsecured and subordinated and will notably rank junior in priority of payment to all Senior Subordinated Obligations of the Issuer, other obligations (including without limitation 1st Ranking Senior Subordinated Notes) expressed to rank senior to Ordinary Subordinated Obligations, if any; and Unsubordinated Obligations of the Issuer (all as defined in Condition 3.1 (*Ordinary Subordinated Obligations*)).

To the extent and for so long as, required by, the Applicable Supervisory Regulations (and in particular the last paragraph of article 38(1) of the IRRD (as defined below, see *Application of the resolution powers under the EU Directive on Recovery and Resolution of Insurance Undertakings*), as finally implemented under French law), should the Notes no longer be treated as own funds regulatory capital, their rank will, subject to certain

conditions, change and the Notes will become either 1st Ranking Senior Subordinated Notes or Senior Subordinated Obligations (the **New Ranking**); depending on a number of factors, all as described in Condition 3.2 (*Dynamic Ranking*). Although the New Ranking is in all cases senior to the initial ranking of the Notes, the New Ranking may still be subordinated and therefore the obligations of the Issuer under the Notes may remain subject to the repayment in full of the creditors ranking senior to the holder of the Notes under the New Ranking.

Deferrals of interest payments

Pursuant to Condition 5.2 (*Interest Deferral*), on any Optional Interest Payment Date the Issuer may elect to defer the interest payment and on any Mandatory Deferral Interest Payment Date (as defined in Condition 1 (*Definitions*)), the Issuer will be obliged to defer payment (in whole or in part) of the interest accrued on the Notes to that date (and any such failure to pay will not constitute a default by the Issuer for any purpose).

Any interest not paid and deferred shall so long as it remains outstanding constitute Arrears of Interest and shall be payable subject to the fulfilment of the Conditions to Settlement as provided in Condition 5.2 (*Interest Deferral*). However, Noteholders will not receive any additional interest or compensation for a deferral of payment i.e. the resulting Arrears of Interest will not bear interest.

Any actual or anticipated deferral of interest payments would have a significant adverse effect on the market price of the Notes.

Deferral of redemption and purchase

The Issuer may be required to defer any redemption or purchase of the Notes described in Condition 6 (*Redemption and Purchase*) if, on the due date for such redemption or purchase, the Conditions to Redemption and Purchase are not satisfied, namely that (i) a Regulatory Deficiency has occurred and is continuing or would occur if the Notes were redeemed or purchased or (ii) an Insolvent Insurance Affiliate Winding-up has occurred and is continuing (all as defined and further described in Condition 1 (*Definitions*)).

If redemption or purchase of the Notes is deferred, the Notes will become due for redemption or purchase only upon satisfaction of the Conditions to Redemption and Purchase as described in Condition 6.9 (*Conditions to Redemption and Purchase*).

The suspension of redemption of the Notes does not constitute a default under the Notes for any purpose and does not give Noteholders any right to take any enforcement action under the Notes or file any claim against the Issuer.

The inability to satisfy any of the Conditions to Redemption and Purchase may delay the date on which the Notes are effectively redeemed or even prevent the Notes from being redeemed and such actual or anticipated delay or prevention is likely to have a material adverse effect on the value of the Notes.

Any actual or anticipated deferral of redemption or purchase would have a significant adverse effect on the market price of the Notes.

The Solvency Capital Requirement ratio and Minimum Capital Requirement ratio will be affected by the Issuer's and/or the CARAC group's business decisions and, in making such decisions, the Issuer's interests may not be aligned with those of the Noteholders

The Solvency Capital Requirement ratio and Minimum Capital Requirement ratio could be affected by a number of factors. They will also depend on the Issuer's or the CARAC group's decisions relating to its businesses and operations, as well as the management of its capital position (see paragraph "*Risks of improper development decisions or business model*"). The Issuer will have no obligation to consider the interests of the Noteholders in connection with the strategic decisions of the Issuer or the CARAC group, including in respect of capital management. Noteholders will not have any claim against the Issuer or any other member of the CARAC group relating to decisions that affect the business and operations of the Issuer or the CARAC group, including its capital position. Such decisions could cause Noteholders to lose all or part of the value of their investment in the Notes.

Restrictions on redemption and purchase may delay exercise of any optional redemption

Notwithstanding that a notice of redemption has been delivered to Noteholders, the Notes may not be redeemed or purchased by the Issuer pursuant to any of the redemption or purchase provisions referred to in Condition 6 (*Redemption and Purchase*) unless the Conditions to Redemption and Purchase set out in Condition 6.9 (*Conditions to Redemption and Purchase*) are satisfied. In particular no redemption or purchase of the Notes can take place if (subject to certain conditions) a Regulatory Deficiency has occurred and is continuing on the due date for redemption or purchase (or such redemption or purchase would itself cause a Regulatory Deficiency) or an Insolvent Insurance Affiliate Winding-up has occurred and is continuing (to the extent required under the Applicable Supervisory Regulations in order for the Notes to be treated under the Applicable Supervisory Regulations as Tier 2 Capital of the Issuer and/or the CARAC group).

The satisfaction of the Conditions to Redemption and Purchase may delay the date on which the Notes are effectively redeemed and such delay may have a material adverse effect on the value of the Notes.

Early redemption event risk

The Issuer may also, at its option but subject to satisfaction of the Conditions to Redemption and Purchase and to the Prior Approval of the Relevant Supervisory Authority, redeem the Notes upon the occurrence of certain events, including a Gross-up Event, a Withholding Tax Event, a Tax Deductibility Event, a Regulatory Event, a Rating Methodology Event, or if the conditions to a Clean-up Redemption are met, all as further described in Condition 6 (*Redemption and Purchase*).

Subject to the Prior Approval of the Relevant Supervisory Authority and to other conditions set out in the Condition 6 (*Redemption and Purchase*), the Issuer may also redeem the Notes in whole, but not in part, on (i) any day falling in the period from (and including) the First Call Date to (and including) the Switch Date or any Interest Payment Date thereafter.

Such redemption options will be exercised at the Principal Amount of the Notes together with (to the extent that such interest has not been deferred in accordance with the Conditions) any accrued and unpaid interest up to the date fixed for redemption specified in the notice, but excluding, the date fixed for redemption specified in the notice.

The redemption of the Notes at the option of the Issuer may negatively affect the market value of the Notes. During any period when the Issuer may elect to redeem the Notes or is perceived to be able to redeem the Notes, the market value of the Notes generally will not rise substantially above the price at which they can be redeemed. This may also be true prior to the First Call Date.

In particular, with respect to the Clean-up Redemption, there is no obligation under the Terms and Conditions of the Notes for the Issuer to inform investors if and when the 75 per cent. threshold has been, or is about to be, reached, and the Issuer's right to redeem such Notes will exist notwithstanding that immediately prior to the serving of a notice in respect of the exercise of the Clean-up Redemption, the Notes may have been trading significantly above par, thus potentially resulting in a loss of capital invested.

The Issuer may also be expected to redeem the Notes when its cost of borrowing is lower than the interest rate on the Notes. There can be no assurance that, at the relevant time, Noteholders will be able to reinvest the amounts received upon redemption at a rate that will provide the same return as their investment in the Notes. Potential investors should consider reinvestment risk in light of other investments available at that time.

There are no events of default under the Notes

The Terms and Conditions of the Notes do not provide for events of default (except in case of liquidation of the Issuer) allowing acceleration of the Notes if certain events occur. Accordingly, if the Issuer fails to meet any obligations under the Notes, including the payment of any interest, investors will not have the right of acceleration of principal. Upon a payment default, the sole remedy available to Noteholders for recovery of amounts owing in respect of any payment of principal or interest on the Notes will be the institution of judicial proceedings to enforce such payment. Notwithstanding the foregoing, the Issuer will not, by virtue of the institution of any such proceedings, be obliged to pay any sum or sums sooner than the same would otherwise have been payable by it.

Because of the “tier 2” nature of the Notes, in contrast to most senior bonds, investors will be less protected if the Issuer is in default of any payment obligations under the Notes or any other event affecting the Issuer such as the occurrence of a merger, amalgamation or change of control. The absence of events of default materially affects the position of Noteholders compared to other creditors of the Issuer and may result in delay in receiving the amounts due and payable under the Notes.

In addition, as a result of the above, the value of the Notes or liquidity on the secondary market may be negatively affected.

No limitation on issuing or guaranteeing debt ranking senior or “pari passu” with the Notes and no negative pledge

There is no restriction on the amount of debt which the Issuer or any other member of the CARAC group may issue or guarantee. The Issuer and its subsidiaries and affiliates (including the CARAC group) may incur additional indebtedness or grant guarantees in respect of indebtedness of third parties, including indebtedness or guarantees that rank *pari passu* or senior to the obligations under and in connection with the Notes. If the Issuer’s or CARAC group’s financial condition were to deteriorate, the Noteholders could suffer direct and materially adverse consequences, including deferral of interest (see paragraph “*Deferrals of interest payments*”) and, if the Issuer were liquidated (whether voluntarily or not), the Noteholders could suffer loss of their entire investment.

In addition, the Terms and Conditions of the Notes do not contain any “negative pledge” or similar clause, meaning that the Issuer and its subsidiaries and affiliates may pledge its or their assets to secure other obligations without granting similar security in respect of the Notes. Such an absence of “negative pledge” or similar clause may adversely affect the rights of the Noteholders as compared to holders of senior bonds.

Pursuant to Article L. 212-23 of the French *Code de la Mutualité*, a lien (*privilège*) over the assets of the Issuer is granted for the benefit of the Issuer’s policyholders. Noteholders, even if they are policyholders of the Issuer, do not have the benefit of such lien in relation to amounts due under the Notes.

No gross-up obligation unless a Tax Alignment Event has occurred

If French law should require any withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature, the Issuer shall not pay such additional amounts as would be necessary for each Noteholder, after such withholding or deduction, to receive the full amount then due and payable thereon in the absence of such withholding or deduction unless a Tax Alignment Event has occurred and is continuing (as more fully described under Condition 8 (*Taxation*)). In any event, no such Additional Amounts will be payable prior to the fifth (5th) anniversary of the Issue Date. The non-occurrence of any such Tax Alignment Event may therefore adversely affect the value of the Notes.

The Issuer will not be required to redeem the Notes if it is prohibited by French law from paying additional amounts

In the event that the Issuer is required to withhold amounts in respect of French taxes from payments of interest on the Notes, Condition 8 (*Taxation*) provides that, subject to certain exceptions, the Issuer will pay additional amounts so that the Noteholders will receive the amount they would have received in the absence of such withholding as further described in the risk factor entitled “*No gross-up obligation unless a Tax Alignment Event has occurred*” above. Under French tax law, there is some uncertainty as to whether the Issuer may pay such additional amounts. French debt instruments typically provide that, if an issuer is required to pay additional amounts but is prohibited by French law from doing so, the Issuer must redeem the debt instruments in full. Under Article 73.1(d) of the Commission delegated regulation (EU) 2015/35 of 10 October 2014, as amended, mandatory redemption clauses are not permitted in a Tier 2 Capital instrument such as the Notes. As a result, the Terms and Conditions of the Notes provide for redemption at the option of the Issuer in such a case (subject to Prior Approval of the Relevant Supervisory Authority and Conditions 6.9 (*Conditions to Redemption and Purchase*)), but not for mandatory redemption. If the Issuer does not exercise its option to redeem the Notes in such a case, if the Prior Approval of the Relevant Supervisory Authority is not granted or if the conditions set out in Conditions 6.9 (*Conditions to Redemption and Purchase*) are not complied with, Noteholders will receive less than the full amount due under the Notes, and the market value of the Notes will be adversely affected.

Restrictions on right to set-off

In accordance with Condition 14 (*Waiver of Set-Off*), no Noteholder may exercise or claim any right of deduction, set-off, netting, compensation, retention or counterclaim in respect of any amount owed to it by the Issuer in respect of, or arising directly or indirectly under or in connection with the Notes and each Noteholder will be deemed to have waived all such rights of deduction, set-off, netting, compensation, retention or counterclaim, subject to applicable law. As a result, a Noteholder who is also a debtor of the Issuer cannot set-off its payment obligation against any sum due to it by the Issuer under the Notes. The Noteholders will have to fulfil their obligations under the Notes and to pay any amount due to the Issuer, and given that a set-off right will not apply, the Noteholders would have to engage measures in order to recover their debt in cash, which is due to them by the Issuer. The Noteholders will have to wait for the redemption of the Notes in cash as provided in the Terms and Conditions of the Notes and are therefore exposed to risk that they may not receive any amount in respect of their claims or any amount due under the Notes. This waiver of set-off could therefore have an adverse impact on the Noteholders in the event that the Issuer were to become insolvent.

Interest rate risk

As provided in Condition 5 (*Interest*), from (and including) the Issue Date to (but excluding) the Switch Date, the Notes will bear interest at a Fixed Rate of Interest (4.375 per cent. *per annum*) payable annually. As a result of the Notes bearing interest at a fixed rate during such period, investment in the Notes involves the risk that subsequent changes in market interest rates may adversely affect the market value of the Notes. While the nominal interest rate of the Notes is fixed, the current interest rate on the capital markets (“**market interest rate**”) typically changes on a daily basis. As the market interest rate changes, the price of such note changes in the opposite direction. If the market interest rate increases, the price of such note typically falls, until the yield of such note is approximately equal to the market interest rate. If the market interest rate decreases, the price of a fixed rate note typically increases, until the yield of such note is approximately equal to the market interest rate. Movements of the market interest rate can adversely affect the price of the Notes and can lead to losses for the Noteholders if they sell Notes during the period in which the market interest rate exceeds the Fixed Rate of Interest of the Notes. It is difficult to anticipate future market volatility in interest rates, but any such volatility may have an adverse effect on the value of the Notes.

From (and including) the Switch Date to (but excluding) the Redemption Date, the Notes will bear interest at a floating rate, being the Reference Rate (3-month EURIBOR) plus the Margin.

The Margin will not change throughout the Floating Interest Periods but the Floating Rate of Interest will be quarterly adjusted by the Reference Rate (3-month EURIBOR) which will change in accordance with market conditions. Accordingly, the market value of the Notes may be volatile if changes, especially short-term changes, to market interest rates can only be reflected in the Floating Rate of Interest of the Notes upon the next periodic adjustment of the Reference Rate. Due to varying interest income, investors are not able to determine a definite yield to maturity of the Notes at the time they purchase them, so that their return on investment cannot be compared with that of investments having pre-determined fixed interest up to maturity. Noteholders are exposed to reinvestment risk if market interest rates decline. That is, Noteholders may reinvest the interest income paid to them only at the relevant lower interest rates then prevailing. In addition, if the Issuer subsequently issues fixed rate notes this may affect the market value and the secondary market (if any) of the Notes during any period when interest is not fixed (and *vice versa*).

Regulation and reform of “benchmarks” may adversely affect the market value of the Notes

As provided in Condition 5 (*Interest*), from (and including) the Switch Date to (but excluding) the Redemption Date, the Notes shall bear interest on their principal amount at a floating rate interest which shall be equal to the 3-month EURIBOR plus the Margin.

EURIBOR (*Euro Interbank Offered Rate*) constitutes a benchmark for the purposes of Regulation (EU) 2016/1011, as amended (the “**Benchmarks Regulation**”).

Interest rates and indices which are deemed to be “benchmarks” have been, and continue to be, the subject of national and international regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. Any such reforms could have a material adverse effect on the liquidity and market value of and return on any Notes linked to such “benchmark”.

The Benchmarks Regulation applies to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark, within the European Union (“EU”). In addition, among other things, it (i) requires benchmark administrators to be authorised or registered and to comply with extensive requirements in relation to the administration of “benchmarks” and (ii) prevents certain uses by EU supervised entities of “benchmarks” provided by administrators that are not authorised/registered.

The Benchmarks Regulation could have a material impact on the Notes, including that the methodology or other terms of the “benchmark” could be changed in order to comply with the requirements of the Benchmarks Regulation. Such changes could, among other things, have the effect of reducing or increasing the rate or level or otherwise affecting the volatility of the published rate or level of EURIBOR and, as a consequence, Noteholders could lose part of their investment.

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 following effects on certain “benchmarks” (such as EURIBOR): (i) discouraging market participants from continuing to administer or contribute to such “benchmark”; (ii) triggering changes in the rules or methodologies used in the “benchmarks” or (iii) leading to the disappearance of the “benchmark”. Any of the above changes or any other consequential changes as a result of international, national or other proposals for reform or other initiatives or investigations, could have a material adverse effect on the liquidity and the market value of and return on the Notes.

Finally, if the Reference Rate (or any successor or alternative rate) was discontinued or otherwise unavailable, the floating rate of interest on Notes would be determined for the relevant period by the applicable fallback provisions (see Condition 5.4 (*Benchmark Discontinuation*)). Any of these measures could have an adverse effect on the market value or liquidity of, and return on, the Notes.

Risks Relating to Benchmark Event

Pursuant to Condition 5.4 (*Benchmark Discontinuation*), in the event of a “Benchmark Event”, the Issuer will (at its own cost) use reasonable endeavours to appoint an Independent Adviser (as defined in Condition 5.4 (*Benchmark Discontinuation*)). The Independent Adviser shall endeavour to determine a successor or replacement rate, permitting the Independent Adviser or the Issuer (in consultation with the Independent Adviser), acting in good faith, in a commercially reasonable manner to make necessary changes to the business day convention, the definition of business day, the interest determination date, the day count fraction and any method for calculating the replacement of the Reference Rate, including any adjustment factor needed to make such replacement of the Reference Rate comparable to the Reference Rate.

Such replacement of the Reference Rate will (in the absence of manifest error) be final and binding, and no consent of the Noteholders shall be required in connection with effecting any replacement of the Reference Rate, any other related adjustments and/or amendments to the terms and conditions of the relevant Notes (or any other document) which are made in order to effect such replacement of the Reference Rate.

The replacement of the Reference Rate may have no or very limited trading history and accordingly its general evolution and/or interaction with other relevant market forces or elements may be difficult to determine or measure. In addition, given the uncertainty concerning the availability of a replacement of the Reference Rate and the involvement of an agent, the fallback provisions may not operate as intended at the relevant time and the replacement of the Reference Rate may perform differently from the Reference Rate. This could significantly affect the performance of the replacement of the Reference Rate compared to the historical and expected performance the Reference Rate. Any adjustment factor applied to the Notes may not adequately compensate such impact. This could in turn have a negative effect on the rate of interest on and trading value of the Notes and Noteholders may receive lower return on the Notes than anticipated at the time of the issue.

Notwithstanding the fallback provisions relating to Benchmark Events discussed above, no successor or replacement rate will be adopted, nor will the applicable adjustment spread be applied (in particular any Margin adjustment), nor will any other related adjustments and/or amendments to the Terms and Conditions of the Notes be made, if and to the extent that, in the determination of an authorised officer of the Issuer, the same would cause the Notes to cease qualifying as at least Tier 2 Own Funds (or, if different, whatever terminology

employed by the Applicable Supervisory Regulations) of the Issuer or as other equivalent regulatory capital of the Issuer under the Applicable Supervisory Regulations.

If the Issuer is unable to appoint an Independent Adviser or if the Independent Adviser is unable to or otherwise does not advise the Issuer a successor or replacement rate for any Floating Interest Determination Date, no successor or replacement rate or any other successor, replacement or alternative benchmark or screen rate will be adopted and the Reference Rate for the relevant Floating Interest Period will be equal to the last Reference Rate available on the Screen Page as determined by the Calculation Agent. In such circumstances, notwithstanding the ability for the Issuer to elect to re-apply the provisions of Condition 5.4 (*Benchmark Discontinuation*) *mutatis mutandis* on one or more occasions until a replacement of the Reference Rate has been determined, this could result in the effective application of a fixed rate to the Notes. Therefore, such adjustment could have unexpected commercial consequences and the Noteholders may receive less than they would have received in the absence of a Benchmark Event.

Risks relating to the application and changes to the Applicable Supervisory Regulations regime

The Notes are issued for capital adequacy regulatory purposes with the intention that all the proceeds of the Notes be eligible, (x) for the purpose of the determination of its solvency margin or capital adequacy levels under the Applicable Supervisory Regulations or (y) as at least Tier 2 Capital (as defined in the Terms and Conditions of the Notes) (or whatever the terminology employed by the Applicable Supervisory Regulations) for the purposes of the determination of its regulatory capital under the Applicable Supervisory Regulations, except, in each case, as a result of the application of the limits on inclusion (on a solo or consolidated group level basis) of such securities in, respectively, its solvency margin or own funds regulatory capital, as the case may be.

The Issuer's expectation is based on its review of available information relating to the implementation of Solvency II Directive in France by the ordinance (*ordonnance*) no. 2015-378 dated 2 April 2015 completed by the decree (*décret*) no. 2015-513 dated 7 May 2015 and the order (*arrêté*) of the same date, the "level two" implementation measures set out in Commission Delegated Regulation (EU) 2015/35 of 10 October 2014 which entered into force on 18 January 2015 and the Commission Delegated Regulation (EU) 2019/981 of 8 March 2019 which entered into force on 8 July 2019, as amended.

The effect of the implementing measures related to the Solvency II requirements could have adverse consequences on the Noteholders. In particular:

- the Issuer will be obliged to defer interest payments if the own funds regulatory capital (or, if different, whatever terminology is employed to denote such concept by the then Applicable Supervisory Regulations) of the Issuer and/or the CARAC group is not sufficient to cover its capital requirement;
- in the same circumstances, the redemption or purchase of Notes will be only permitted subject to the Prior Approval of the Relevant Supervisory Authority.

Even though "level two" implementation measures have been enacted and "level three" guidelines have been released, such implementation measures and guidelines may be amended, supplemented or superseded. Moreover, there is considerable uncertainty as to how regulators, including the ACPR, will interpret the "level two" implementation measures and/or "level three" guidance and apply them to the Issuer and the CARAC group.

Additionally, the Directive (EU) 2025/2 of the European Parliament and of the Council, amending Solvency II Directive that particularly aim to strengthen the risk management of (re)insurers with respect to long-term and climate change risks and enhance cross-border supervision was published in the EU's Official Journal on 28 January 2025. Member States are expected to implement Directive (EU) 2025/2 of the European Parliament and of the Council into their national law by the end of January 2027.

It is not yet possible to assess the full impact of the Directive (EU) 2025/2 or any corresponding implementing French legislation.

Any such changes that may occur in the application of the Applicable Supervisory Regulations in France subsequent to the date of this Information Memorandum and/or any subsequent changes to such rules and other variables may individually and/or in aggregate negatively affect the calculation of the Issuer's and/or the

CARAC group Solvency Capital Requirement (or, if different, whatever terminology is employed to denote such requirement by the then Applicable Supervisory Regulations) and render the Issuer's or CARAC group's regulatory capital requirements more onerous and thus increase the risk of cancellation of interest payments, the occurrence of a Regulatory Event and subsequent redemption of the Notes by the Issuer, as a result of which a Noteholder could lose all or part of the value of their investment in the Notes.

Application of the resolution powers under the EU Directive on Recovery and Resolution of Insurance Undertakings

On 27 November 2024, the European Parliament and the Council adopted Directive (EU) 2025/1 of 27 November 2024 establishing a framework for the recovery and resolution of insurance and reinsurance undertakings and amending Directives 2002/47/EC, 2004/25/EC, 2007/36/EC, 2014/59/EU and (EU) 2017/1132 and Regulations (EU) No 1094/2010, (EU) No 648/2012, (EU) No 806/2014 and (EU) No 2017/1129 (“**IRR**D”), which was published in the Official Journal of the European Union on 8 January 2025 and entered into force since 28 January 2025. IRRD must be implemented by EU member states into their national law by 29 January 2027. IRRD is similar to a directive applicable to the recovery and resolution of banks in Europe and provides for (i) a variety of preventive measures to minimize the likelihood of insurance undertakings requiring public financial support, and (ii) the initiation of resolution procedures for insurance undertakings that are failing or likely to fail, where there is no prospect that private sector alternatives or supervisory measures would prevent the failure. IRRD provides, in case of resolution, for the application of a number of resolution tools, including in particular the writedown and conversion tool, which would allow resolution authorities to write-down or convert to equity capital instruments and certain liabilities of insurance undertakings. The tool would apply first to equity instruments, then tier 1 capital securities, then Tier 2 Capital securities (such as the Notes), then tier 3 capital securities and then to other instruments with a higher ranking in liquidation (see Condition 15 (*Acknowledgement of Bail-In and Write-Down or Conversion powers*)), which would follow the priority of claims applicable under normal insolvency proceedings, pursuant to article 38 IRRD.

Once IRRD will be implemented in France, Noteholders could be affected and lose all or part of their investment in the Notes if the Issuer were to experience financial difficulty and be failing or likely to fail. In addition, if the Issuer's financial condition deteriorates, or is perceived to deteriorate, the existence of these powers could cause the market value and/or the liquidity of the Notes to decline more rapidly than would be the case in the absence of such powers.

Given that IRRD has not yet been implemented in France, the precise impact of the changes to the current framework on the Issuer, on other insurance undertakings in Europe and on regulatory capital instruments issued by the Issuer (including the Notes), may deviate from the impact anticipated as of the date of this Information Memorandum. Accordingly, it is not possible to foresee exactly how, or precisely when, IRRD will translate into changes to the current framework and their precise impact on the Issuer and other insurance undertakings in Europe, and on regulatory capital instruments issued by the Issuer, including the Notes, it being specified that the conversion of eligible liabilities into capital instruments may only be applied to insurance claims where the resolution authority justifies that the resolution objectives cannot be achieved through other resolution tools, or that the conversion of insurance claims would lead to a better protection for policy holders compared to the use of any other resolution tool and the write-down of their claims. As a result of any such measures not being implemented as currently foreseen, this could have an adverse effect on the interests of the Noteholders.

GENERAL DESCRIPTION OF THE NOTES

This overview is a general description of the Notes and is qualified in its entirety by the remainder of this Information Memorandum. It does not, and is not intended to, constitute a summary of this Information Memorandum. For a more complete description of the Notes, including definitions of capitalised terms used but not defined in this section, please see “Terms and Conditions of the Notes”.

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| Issuer: | CARAC |
| LEI: | 969500VRQXGW3RZA3N78 |
| Description: | EUR 300,000,000 Fixed to Floating subordinated Tier 2 notes due 5 February 2046 (the “Notes”) |
| Structuring Advisor: | Banque Hottinguer |
| Global Coordinator and Sole Bookrunner: | Natixis |
| Principal Paying Agent and Calculation Agent: | BNP PARIBAS |
| Aggregate Principal Amount: | EUR 300,000,000 |
| Denomination: | EUR 100,000 per Note |

“**Principal Amount**” means in respect of each Note, EUR 100,000 being the principal amount of each Note on the Issue Date (as defined below).

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| Issue Date: | 5 February 2026 |
| Issue Price: | 99.231 per cent. of the Aggregate Principal Amount |
| Scheduled Maturity Date: | 5 February 2046 if the Conditions to Redemption and Purchase are satisfied and otherwise as soon thereafter as the Conditions to Redemption and Purchase are so satisfied. |

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| Form of the Notes: | The Notes are issued on the Issue Date in dematerialised bearer form (<i>au porteur</i>) in the denomination of EUR100,000 each. Title to the Notes will be evidenced in accordance with Articles L.211-3 et seq. and R.211-1 et seq. of the French <i>Code monétaire et financier</i> by book-entries (<i>inscription en compte</i>). No physical document of title (including <i>certificats représentatifs</i> pursuant to Article R.211-7 of the French <i>Code monétaire et financier</i>) will be issued in respect of the Notes. The Notes will, upon issue, be inscribed in the books of Euroclear France, which shall credit the accounts of the relevant Account Holders. |
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Title to the Notes shall be evidenced by entries in the books of Account Holders and will pass upon, and transfer of Notes may only be effected through, registration of the transfer in such books. All sums due in respect of the Notes shall be paid by the Principal Paying Agent on behalf of the Issuer to the Account Holders for the account of the relevant Noteholders.

“**Account Holder**” means any authorised financial intermediary institution entitled to hold accounts directly or indirectly on behalf of its customers with Euroclear France, and includes Euroclear Bank SA/NV (“**Euroclear**”) and Clearstream Banking S.A. (“**Clearstream**”)

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| Status of the Notes: | The Notes constitute Ordinary Subordinated Obligations. The Notes are direct, unconditional, unsecured and subordinated obligations of the Issuer and rank and will rank <i>pari passu</i> without any preference among themselves and <i>pari passu</i> with any other Ordinary Subordinated Obligations outstanding from time to time, to the extent required by the Applicable |
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Supervisory Regulations (and in particular the last paragraph of article 38(1) of the IRRD, as finally implemented under French law) for so long as any such Ordinary Subordinated Obligations continue to constitute (or would constitute but for any applicable limitation on the amount of such capital) Tier 2 Own Funds of the Issuer and/or the CARAC group under the then Applicable Supervisory Regulations.

The Notes shall be subordinated to all present and future:

- (a) Senior Subordinated Obligations of the Issuer;
- (b) other obligations (including without limitation 1st Ranking Senior Subordinated Notes) expressed to rank senior to Ordinary Subordinated Obligations, if any; and
- (c) Unsubordinated Obligations of the Issuer.

in each case outstanding from time to time, but shall rank in priority to any Mutual Certificates of the Issuer, any *titres participatifs* issued by or any *prêts participatifs* granted to the Issuer and any Deeply Subordinated Obligations.

The status of the Notes may change during the life of such Notes as described in “*Terms and Conditions of the Notes - Status of the Notes and Subordination*”.

For the purpose hereof:

“1st Ranking Senior Subordinated Notes” means direct, unconditional, unsecured and senior subordinated obligations of the Issuer that rank *pari passu* without any preference among themselves and *pari passu* with any other existing or future direct, unconditional, unsecured and 1st ranking senior subordinated obligations of the Issuer, that are subordinated to all direct, unconditional, unsecured and unsubordinated obligations of the Issuer (including any Senior Notes), in each case outstanding from time to time, but that rank in priority to any Senior Subordinated Obligations, any existing or future direct, unconditional, unsecured and subordinated obligations of the Issuer that rank or are expressed to rank *pari passu* with the Senior Subordinated Obligations, any subordinated obligations of the Issuer that rank or are expressed to rank junior to the Senior Subordinated Obligations, any Ordinary Subordinated Obligations of the Issuer, any *prêts participatifs* granted to the Issuer, any *titres participatifs* issued by the Issuer, any Deeply Subordinated Obligations of the Issuer and any Mutual Certificates of the Issuer.

“Deeply Subordinated Obligations” means any present and future Obligations which constitute direct, unconditional, unsecured and deeply subordinated Obligations of the Issuer, which rank and will at all times rank (i) equally and rateably with any other present and future Deeply Subordinated Obligations of the Issuer, but (ii) in priority to present and future Mutual Certificates and (iii) junior to all present and future Unsubordinated Obligations, other obligations (including without limitation 1st Ranking Senior Subordinated Notes) expressed to rank senior to Deeply Subordinated Obligations, if any, Senior Subordinated Obligations, Ordinary Subordinated Obligations of the Issuer and *prêts participatifs* granted to, and *titres participatifs* issued by the Issuer.

“**Mutual Certificates**” means any mutual certificates (*certificats mutualistes*) that may be issued from time to time by the Issuer in accordance with Article L. 221-19 of the French *Code de la Mutualité*.

“**Obligation**” means any payment obligation expressed to be assumed by or imposed on, the Issuer under or arising as a result of any contract, agreement, document, instrument or conduct or relationship or by operation of law (including any bonds, borrowings or notes).

“**Ordinary Subordinated Obligations**” means any Obligations which constitute direct, unconditional, unsecured and subordinated Obligations of the Issuer and which rank and will at all times rank (i) equally and rateably with any other present and future Ordinary Subordinated Obligations of the Issuer, but (ii) in priority to all present and future Mutual Certificates, Deeply Subordinated Obligations, *prêts participatifs* granted to, and *titres participatifs* issued by, the Issuer, and (iii) junior to all present and future Unsubordinated Obligations, Senior Subordinated Obligations of the Issuer and other obligations (including without limitation 1st Ranking Senior Subordinated Notes) expressed to rank senior to Ordinary Subordinated Obligations, if any.

“**Senior Notes**” means notes which are direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank *pari passu* among themselves and (save for certain obligations required to be preferred by law) equally with all other present and future unsecured and unsubordinated obligations of the Issuer, from time to time outstanding.

“**Senior Subordinated Obligations**” means any Obligations which constitute direct, unconditional, unsecured and subordinated Obligations of the Issuer and which rank and will at all times rank (i) equally and rateably with any other present and future Senior Subordinated Obligations of the Issuer, but (ii) in priority to present and future Mutual Certificates, Deeply Subordinated Obligations, Ordinary Subordinated Obligations, *prêts participatifs* granted to, and *titres participatifs* issued by the Issuer, and (iii) junior to all present and future Unsubordinated Obligations of the Issuer and other obligations (including without limitation 1st Ranking Senior Subordinated Notes) expressed to rank senior to Senior Subordinated Obligations, if any.

“**Tier 2 Own Funds**” means subordinated loans or notes, ordinary shares or any other share capital of any class which constitute Tier 2 Capital for the purposes of the Issuer or the CARAC group.

Payment on the Notes in the event of the liquidation of the Issuer:

In the context of voluntary or judicial liquidation of the Issuer, bankruptcy proceedings or any other similar proceedings affecting the Issuer, no payment will be made to holders of Mutual Certificates, to holders of *titres participatifs* issued by, or *prêts participatifs* granted to the Issuer or to holders of Deeply Subordinated Obligations before all amounts due, but unpaid, to all Noteholders under the Notes have been paid by the Issuer.

In the event of incomplete payment of creditors ranking senior to holders of Ordinary Subordinated Obligations (in the context of voluntary or judicial liquidation of the Issuer, bankruptcy proceedings or any other similar proceedings affecting the Issuer), the obligations of the Issuer in connection with the Ordinary Subordinated Obligations will be terminated. The holders of Ordinary Subordinated Obligations shall take all steps necessary for the orderly accomplishment of any collective proceedings or voluntary liquidation.

Negative Pledge:..... None.

Events of default:..... There will be no events of default in respect of the Notes. However, each Note shall become immediately due and payable, at its Principal Amount, together with accrued interest thereon, if any, to the date of payment and any Arrears of Interest, in the event that a judgment is rendered by any competent court declaring the judicial liquidation (*liquidation judiciaire*) of the Issuer, or in the event of a transfer of the whole of the business of the Issuer (*cession totale de l'entreprise*) subsequent to the opening of a judicial recovery procedure (*redressement judiciaire*), or if the Issuer is liquidated for any other reason.

Fixed Rate Interest Period

- (i) Subject to Interest Deferral, the Notes bear interest from (and including) the Issue Date to (but excluding) the Switch Date at a rate equal to the Fixed Rate of Interest payable annually in arrear on each Fixed Interest Payment Date. The Fixed Interest Amount payable on each Fixed Interest Payment Date shall be calculated by applying the Fixed Rate of Interest to the Principal Amount, and rounding the resultant figure to the nearest Euro cent, with half of a Euro cent being rounded upwards.
- (ii) Subject to Interest Deferral, the Notes will cease to bear interest from (and including) the Redemption Date if and when such Redemption Date falls in a Fixed Interest Period, unless payment of the Principal Amount is improperly withheld or refused on such date or unless default is otherwise made in respect of the payment. In such event and subject as provided herein, the Notes will continue to bear interest at the Fixed Rate of Interest on their remaining unpaid amount until the day on which all sums due in respect of the Notes up to (but excluding) that day are received by or on behalf of the relevant Noteholder.
- (iii) If interest is required to be calculated for a period other than a Fixed Interest Period, such interest shall be calculated by applying the Fixed Rate of Interest to the Principal Amount, multiplying the resultant figure by the Fixed Rate Day Count Fraction, and rounding the resultant figure to the nearest Euro cent, with half of a Euro cent being rounded upwards.

For the purpose hereof:

“**Fixed Interest Amount**” means the amount of interest payable on the Notes in respect of each Fixed Interest Period.

“**Fixed Interest Payment Date**” means 5 February in each year, commencing on 5 February 2027, to (and including) the Switch Date.

“**Fixed Interest Period**” means the period from (and including) a Fixed Interest Payment Date (or, if none, the Issue Date) to (but excluding) the next (or first) Fixed Interest Payment Date.

“**Fixed Rate Day Count Fraction**” means Actual/Actual (ICMA).

“**Fixed Rate of Interest**” means 4.375 per cent. *per annum*.

“**Redemption Date**” means the effective date of redemption of the Notes.

“**Switch Date**” means 5 February 2036.

Floating Rate Interest Period

- (a) Subject to Interest Deferral, the Notes bear interest from (and including) the Switch Date to (but excluding) the Redemption Date

at a rate equal to the Floating Rate of Interest payable quarterly in arrear on each Floating Interest Payment Date.

- (b) If a Floating Interest Payment Date would otherwise fall on a date which is not a Business Day, it will be adjusted in accordance with the Modified Following Business Day Convention.
- (c) Subject to Interest Deferral, on each Floating Interest Payment Date the rate of interest will be the Reference Rate (expressed as a percentage rate *per annum*) which appears on the Screen Page at approximately 11:00 a.m. (Central European Time) on the relevant Floating Interest Determination Date, as determined by the Calculation Agent.
- (d) The Calculation Agent will calculate the amount of interest payable on each Note for the relevant Floating Interest Period by applying the Floating Rate of Interest to the Principal Amount and multiplying the resultant figure by the Floating Rate Day Count Fraction, and rounding the resultant figure to the nearest Euro cent, with half of a Euro cent being rounded upwards.

For the purpose hereof:

“Floating Interest Determination Date” means the second T2 Settlement Day prior to the commencement of each Floating Interest Period.

“Floating Interest Payment Date” means 5 February, 5 May, 5 August and 5 November in each year thereafter commencing on 5 May 2036 to (and including) the Redemption Date, in each case, subject to adjustment in accordance with the Modified Following Business Day Convention.

“Floating Interest Period” means the period from (and including) a Floating Interest Payment Date (or, if none, the Switch Date) to (but excluding) the next (or first) Floating Interest Payment Date.

“Floating Rate Day Count Fraction” means Actual/360.

“Floating Rate of Interest” means the aggregate of the Reference Rate plus the Margin.

“Margin” means 2.60 per cent. per annum.

“Modified Following Business Day Convention” means if a relevant payment date is not a Business Day, it shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which case it will be brought forward to the immediately preceding Business Day.

“Reference Rate” means the European interbank offered rate (EURIBOR) for euro deposits of a maturity of three (3) months.

“Screen Page” means Bloomberg EUR003M or such other information service which is the successor to Bloomberg EUR003M.

Interest Period: A Fixed Interest Period or a Floating Interest Period, as the case may be.

“Interest Payment Date” means a Fixed Interest Payment Date or a Floating Interest Payment Date, as the case may be.

Benchmark Discontinuation If a Benchmark Event occurs in relation to the Reference Rate at any time

when any Floating Rate of Interest (or any component part thereof) remains to be determined by reference to the Reference Rate, the Issuer shall use reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine a Successor Rate as further described under Condition 5.4 (*Benchmark Discontinuation*).

“**Benchmark Event**” means, with respect to the Reference Rate (or component part thereof):

- (a) the Reference Rate (or component part thereof) ceasing to be published for a period of at least five (5) consecutive Business Days or ceasing to exist; and/or
- (b) a public statement or publication of information by or on behalf of the administrator of the Reference Rate (or component part thereof), announcing that it has ceased or will cease to publish the Reference Rate (or component part thereof), permanently or indefinitely (provided that, at that time, there is no successor administrator that will continue to provide the Reference Rate); and/or
- (c) a public statement or public of information by the supervisor of the administrator of the Reference Rate (or component part thereof), that the Reference Rate (or component part thereof) has been or will be permanently or indefinitely discontinued; and/or
- (d) a public statement or publication of information by the supervisor of the administrator of the Reference Rate (or component part thereof) that the Reference Rate (or component part thereof) has been or will be prohibited from being used either generally, or that its use will be subject to restrictions or adverse consequences which would not allow its further use in respect of the Notes; and/or
- (e) a public statement or publication of information by the supervisor of the administrator of the Reference Rate (or component part thereof) that, in the view of such supervisor, such Reference Rate (or component part thereof) is no longer representative of an underlying market or the methodology to calculate the Reference Rate has materially changed; and/or
- (f) it has or will become unlawful for the Issuer, the Calculation Agent or the Paying Agent to calculate any payment due to be made to any Noteholder using the Reference Rate (or component part thereof); and/or
- (g) that a decision to withdraw the authorisation or registration pursuant to Article 35 of the Benchmarks Regulation of any benchmark administrator previously authorised to publish such Reference Rate (or component part thereof) has been adopted;

provided that, the Benchmark Event shall occur on the earlier of the dates of the events referenced in sub-paragraphs (b), (c), (d), and (e).

“Independent Adviser” means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Issuer at its own expenses.

“Successor Rate” means an industry-accepted successor to or replacement of the Reference Rate (or component part thereof) which is formally recommended by any Relevant Nominating Body. If, following a Benchmark Event, more than one successor or replacement rates are recommended by any Relevant Nominating Body, the Independent Adviser will determine, among those successor or replacement rates, the one which is the most appropriate, taking into consideration, without limitation, the particular features of the relevant Notes and the nature of the Issuer.

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

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

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

Optional Interest Deferral

Subject to Mandatory Interest Deferral, the Issuer may, at its option, elect to defer in full or in part the payment of interest otherwise due and payable on any Optional Interest Payment Date in respect of the Interest Period ending on such date, whereupon the Issuer shall not have any obligation to pay any interest on an Optional Interest Payment Date and such non-payment shall not constitute a default or event of default by the Issuer under the Notes or for any other purpose and shall not give Noteholders any right to accelerate the Notes.

“Optional Interest Payment Date” means any Interest Payment Date other than a Mandatory Deferral Interest Payment Date or a Compulsory Interest Payment Date.

Compulsory Payment Date

Interest The Issuer shall, on each Compulsory Interest Payment Date, pay interest in respect of the Notes accrued to that date in respect of the interest period ending on such Compulsory Interest Payment Date, together with all Arrears of Interest at such time.

“Compulsory Interest Payment Date” means each Interest Payment Date on which, or prior to which at any time during a period of six (6) months, a Compulsory Interest Payment Event occurred; provided, however, that this Interest Payment Date is not a Mandatory Deferral Interest Payment Date.

“Compulsory Interest Payment Event” means any of the following events has occurred:

- (i) the Issuer has made a payment on any other Ordinary Subordinated Obligations, unless such payment was a mandatory payment under the terms of any such other Ordinary Subordinated Obligations of the Issuer;
- (ii) the Issuer has made a payment on any securities ranking junior to Ordinary Subordinated Obligations (including on any Mutual Certificates) unless such payment was a mandatory payment under the terms of any such securities;
- (iii) the Issuer has redeemed, purchased or acquired any Ordinary Subordinated Obligations by any means unless such redemption, purchase or acquisition was a mandatory redemption, purchase or acquisition under the terms of any such securities; and
- (iv) the Issuer has redeemed, purchased or acquired any securities ranking junior to Ordinary Subordinated Obligations (including any partial prepayment of such securities) by any means unless such redemption, purchase or acquisition was a mandatory redemption, purchase or acquisition under the terms of any such securities.

Mandatory Interest Deferral: On any Mandatory Deferral Interest Payment Date, the Issuer will be obliged to defer payment of all (but not some only) the interest accrued and, if relevant, any Arrears of Interest) in respect of the Notes during the relevant Interest Period and any such non-payment shall not constitute a default or event of default by the Issuer for any purpose and shall not give Noteholders any right to accelerate the Notes.

Any interest not paid on a Mandatory Deferral Interest Payment Date, or an Optional Interest Payment Date shall constitute “**Arrears of Interest**”. Arrears of Interest on all outstanding Notes shall become due in full following the occurrence of certain circumstances.

All Arrears of Interest may, subject to the fulfilment of the Conditions to Settlement, at the option of the Issuer, be paid in whole or in part at any time but all Arrears of Interest in respect of all Notes for the time being outstanding shall become due in full on whichever is the earliest of:

- (a) the next Interest Payment Date which is a Compulsory Interest Payment Date;
- (b) the date of any redemption of the Notes in accordance with the provisions relating to redemption of the Notes; or
- (c) the date upon which a judgment is made for the voluntary or judicial liquidation (*liquidation amiable* or *liquidation judiciaire*) of the Issuer or the Issuer is liquidated for any other reason or the sale of the whole of the business (*cession totale de l'entreprise*) subsequent to the opening of a judicial recovery procedure of the Issuer.

Noteholders will not receive any additional interest or compensation for the mandatory deferral of payment. In particular, the resulting Arrears of Interest will not bear interest.

“Applicable Supervisory Regulations” means the Solvency II Directive as implemented under French law, the Solvency II Regulation and the solvency margin, capital adequacy requirements or any other regulatory capital rules (including the guidelines and recommendations of the European Insurance and Occupational Pensions Authority (or any successor authority), the official application or interpretation of the Relevant Supervisory Authority thereof and any applicable decision of any court or tribunal) from time to time in effect in France (or if the Issuer becomes domiciled in a jurisdiction other than France, such other jurisdiction) and applicable to the Issuer and/or the CARAC group (including for the purpose of any capital requirements of internationally active insurance groups), which would lay down the requirements to be fulfilled by financial instruments for inclusion as at least Tier 2 Capital that the Notes would be expected to fall under on or about the Issue Date, as opposed to own funds regulatory capital of any other tier (or, if different, whatever terminology is employed to denote such concept), for single solvency and group solvency purposes of the Issuer and/or the CARAC group.

“Conditions to Settlement” are satisfied on any day with respect to any payment of Arrears of Interest, if any, if such day would not be a Mandatory Deferral Interest Payment Date if such day was an Interest Payment Date.

If amounts in respect of Arrears of Interest become partially payable:

- (a) Arrears of Interest accrued for any period shall not be payable until full payment has been made of all Arrears of Interest that have accrued during any earlier period; and
- (b) the amount of Arrears of Interest payable in respect of any Note in respect of any period, shall be *pro rata* to the total amount of all unpaid Arrears of Interest accrued in respect of that period to the date of payment.

“Mandatory Deferral Interest Payment Date” means each Interest Payment Date in respect of which the Noteholders and the Principal Paying Agent have received written notice from the Issuer confirming that a Regulatory Deficiency has occurred and such Regulatory Deficiency is continuing on such Interest Payment Date, or such interest payment (and, if relevant, any Arrears of Interest) would itself cause a Regulatory Deficiency provided, however, that the relevant Interest Payment Date will not be a Mandatory Deferral Interest Payment Date in relation to such interest payment (or such part thereof) if, cumulatively:

- (a) the Relevant Supervisory Authority has exceptionally waived the deferral of such interest payment (and, if relevant, any Arrears of Interest) (to the extent the Relevant Supervisory Authority can give such waiver in accordance with the Applicable Supervisory Regulations);
- (b) paying the interest payment (and, if relevant, any Arrears of Interest) does not further weaken the solvency position of the Issuer and/or the CARAC group as determined in accordance with the Applicable Supervisory Regulations; and
- (c) the Minimum Capital Requirement will be complied with immediately after the interest payment (and, if relevant, any Arrears of Interest) is made.

“Minimum Capital Requirement” means (i) the Minimum Capital Requirement of the Issuer and/or (ii) the minimum consolidated group Solvency Capital Requirement of the CARAC group (as applicable) and/or (iii) any applicable successor trigger metric, all as defined and in accordance with the meaning of the Applicable Supervisory Regulations.

“Relevant Supervisory Authority” means any relevant regulator having jurisdiction over the Issuer and/or the CARAC group, in the event that the Issuer and/or the CARAC group is required to comply with certain applicable solvency margins or capital adequacy levels. The current Relevant Supervisory Authority of the Issuer and the CARAC group is the *Autorité de contrôle prudentiel et de résolution*.

“Regulatory Deficiency” means:

- (a) the own funds regulatory capital (or, if different, whatever terminology is employed to denote such concept by the then Applicable Supervisory Regulations) of the Issuer and/or the CARAC group is not sufficient to cover its Solvency Capital Requirement, its Minimum Capital Requirement (or any applicable capital requirements for insurance groups) (or, if different, whatever terminology is employed to denote such requirement by the then Applicable Supervisory Regulations) whichever occurs earlier; or
- (b) the Relevant Supervisory Authority has notified the Issuer that it has determined, in view of the financial condition of the Issuer and/or any entity of the CARAC group, that in accordance with the Applicable Supervisory Regulations at such time, the Issuer must take specified action in relation to the Notes and/or payments thereunder; or
- (c) the Issuer admits it is or is declared unable to meet its liabilities as they fall due with its immediately disposable assets (*cessation des paiements*),

in each case without taking into account any Prior Approval of the Relevant Supervisory Authority being granted on an exceptional basis with respect to the payment of interest or Arrears of Interest on, and/or the redemption or purchase of, the Notes.

For the avoidance of doubt, a Regulatory Deficiency will be deemed to have occurred if and when the Issuer or the CARAC group fails to meet the Solvency Capital Requirement or Minimum Capital Requirement or upon the date of *cessation des paiements* following (c) above.

“CARAC group” means the Issuer together with its consolidated subsidiaries as construed under Applicable Supervisory Regulations.

“Solvency II Directive” means Directive 2009/138/EC of the European Union of 25 November 2009 on the taking-up and pursuit of the business of insurance and reinsurance (Solvency II), as amended from time to time, the further legislative acts of the European Union enacted in relation thereto and the French legislation implementing the same.

“Solvency II Regulation” means Commission Delegated Regulation (EU) 2015/35 of 10 October 2014, as amended from time to time.

“Solvency Capital Requirement” means the Solvency Capital Requirement of the Issuer and/or the CARAC group (as applicable) within the meaning of the Applicable Supervisory Regulations.

“Tier 2 Capital” has the meaning given to such term in the Applicable Supervisory Regulations from time to time (or whatever the terminology employed by the Applicable Supervisory Regulations).

Taxation:

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

If French law should require that payments of principal or interest made by the Issuer in respect of any Note be subject to withholding or deduction in respect of any present or future taxes, duties, assessments or governmental charges of whatever nature, and provided a Tax Alignment Event has occurred and is continuing, 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 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, as the case may be:

- (a) to, or to a third party on behalf of, a Noteholder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note, by reason of his having some connection with France other than the mere holding of the Note; or
- (b) where such Additional Amount is due prior to the Relevant Anniversary.

A **“Tax Alignment Event”** will be deemed to have occurred if at any time the Issuer determines, in consultation with the Relevant Supervisory Authority, that the obligation to pay Additional Amounts would not cause the Notes to no longer be treated under Applicable Supervisory Regulations as at least Tier 2 Capital and gives notice of such fact to the Principal Paying Agent and the Noteholders.

Redemption at Maturity:

Subject to the Conditions to Redemption and Purchase and to the Prior Approval of the Relevant Supervisory Authority, unless previously redeemed or purchased and cancelled as provided for below, the Notes will be redeemed at their Principal Amount, together with accrued interest thereon, if any, and any Arrears of Interest, on the Scheduled Maturity Date.

“Prior Approval of the Relevant Supervisory Authority” means the prior written approval of the Relevant Supervisory Authority, if such approval is required at the time under any Applicable Supervisory Regulations and provided that such approval has not been withdrawn by the date set for redemption, purchase or payment, as the case may be.

Optional Redemption from the First Call Date

The Issuer may, subject to the Prior Approval of the Relevant Supervisory Authority and the Conditions to Redemption and Purchase, redeem the Notes in whole, but not in part, at their Base Call Price, at any time from the First Call Date to and including the Switch Date and on any Interest Payment Date falling thereafter.

Redemption following a Gross-Up Event:

If, by reason of a change in any French law or regulation, or any change in the official application or interpretation thereof, becoming effective after the Issue Date, the Issuer would, on the occasion of the next payment of principal or interest due in respect of the Notes, not be able to make such payment without having to pay Additional Amounts (a “**Gross-Up Event**”), the Issuer may, subject to the Prior Approval of the Relevant Supervisory Authority and the Conditions to Redemption and Purchase, redeem the Notes in whole, but not in part, at their Base Call Price, provided that the due date for redemption shall be no earlier than the latest practicable Interest Payment Date on which the Issuer could make payment of principal or interest without withholding or deduction for French taxes.

“**Base Call Price**” is equal to the Principal Amount of the Notes together with (to the extent that such interest has not been deferred in accordance with the Conditions) any accrued and unpaid interest up to the date fixed for redemption.

Redemption following a Withholding Tax Event:

If the Issuer would on the next payment of principal or interest in respect of the Notes be obliged to pay Additional Amounts as specified under Condition 8 (*Taxation*) and the Issuer would be prevented by French law from making payment to the Noteholders of the full amount then due and payable, notwithstanding the undertaking to pay Additional Amounts (a “**Withholding Tax Event**”), then the Issuer may, subject to the Prior Approval of the Relevant Supervisory Authority and the Conditions to Redemption and Purchase, redeem the Notes in whole, but not in part, at their Base Call Price, on the latest practicable date on which the Issuer could make payment of the full amount of principal or interest payable in respect of the Notes or, if such date is past, as soon as practicable thereafter.

Redemption in case of Tax Deductibility Event:

If an opinion of a recognised law firm of international standing has been delivered to the Issuer and the Principal Paying Agent, stating that by reason of a change in French law or regulation, or any change in the official application or interpretation of such law, becoming effective after the Issue Date, the tax regime of any payments under the Notes is modified and such modification results in the part of the interest payable by the Issuer in respect of the Notes that is tax-deductible being reduced (a “**Tax Deductibility Event**”), so long as this cannot be avoided by the Issuer taking reasonable measures available to it at the time, the Issuer may, subject to the Prior Approval of the Relevant Supervisory Authority and the Conditions to Redemption and Purchase, redeem the Notes in whole, but not in part, at their Base Call Price, on the latest practicable date on which the Issuer could make such payment with the part of the interest payable under the Notes being tax-deductible not being reduced or, if such date is past, as soon as practicable thereafter.

Optional Redemption for Regulatory Reasons:

If, at any time, on or after the Issue Date, the Issuer determines that a Regulatory Event has occurred with respect to the Notes the Issuer may, subject to the Prior Approval of the Relevant Supervisory Authority and the Conditions to Redemption and Purchase, redeem the Notes in whole, but not in part, at their Base Call Price.

“**Regulatory Event**” means that, on or after the Issue Date, the Issuer and/or the CARAC group (i) are subject to regulatory supervision by the Relevant Supervisory Authority, and (ii) are no longer permitted to treat the Notes (in whole or in part) (x) as eligible for the purpose of the determination of the solvency margin or capital adequacy levels of the Issuer and/or the CARAC group under the Applicable Supervisory Regulations or (y) as at least Tier 2 Capital for the purpose of the

determination of the regulatory capital of the Issuer and/or the CARAC group under Applicable Supervisory Regulations, except, in each case, as a result of the application of any limits on the inclusion of the Notes in, respectively, the solvency margin or own funds regulatory capital of the Issuer and/or the CARAC group as Tier 2 Capital.

Optional Redemption for Rating Reasons:

If, at any time, the Issuer determines that a Rating Methodology Event has occurred with respect to the Notes on or after the Issue Date, the Issuer may, subject to the Prior Approval of the Relevant Supervisory Authority and the Conditions to Redemption and Purchase, redeem the Notes in whole, but not in part, at any time at their Base Call Price.

“Rating Agency” means S&P Global Ratings Europe Limited (“S&P”) or any other rating agency of equivalent international standing (and their respective successors or affiliates) solicited by the Issuer to grant a credit rating to the Issuer.

A **“Rating Methodology Event”** will be deemed to occur upon a change in the methodology of the Rating Agency (or in the interpretation of such methodology) as a result of which the equity credit in the capital adequacy assessment assigned by such Rating Agency to the Notes is, in the reasonable opinion of the Issuer, materially reduced when compared to the equity credit in the capital adequacy assessment assigned by such Rating Agency to the Notes at or around the date when the equity credit in the capital adequacy assessment is assigned in the first instance. In this definition, equity credit may also refer to any other nomenclature that the Rating Agency may then use to describe the contribution of the Notes to capital adequacy in the applicable rating methodology.

Clean-up Redemption:

The Issuer may, at any time, elect, subject to the Prior Approval of the Relevant Supervisory Authority and the Conditions to Redemption and Purchase, to redeem the Notes in whole, but not in part, at their Base Call Price if 75% (seventy-five per cent.) or more of the Notes issued on the Issue Date (and, if applicable, on the relevant issue date(s) of any further notes) has been purchased and cancelled at the time of such election.

Conditions to Redemption and Purchase:

The Notes may not be redeemed, purchased or replaced pursuant to any of the redemption or purchase provisions referred to in the Conditions if:

- (a) a Regulatory Deficiency has occurred and is continuing on the due date for redemption or such redemption or purchase would itself cause a Regulatory Deficiency, except if (a) the Relevant Supervisory Authority has exceptionally waived the suspension of redemption or purchase (b) the Notes have been exchanged for or converted into another basic own funds item of at least the same quality and (c) the Minimum Capital Requirement of the Issuer and the CARAC group is complied with after the redemption or purchase (the **“Conditions to Redemption and Purchase”**), or
- (b) an Insolvent Insurance Affiliate Winding-up has occurred and is continuing on the date due for redemption or purchase (to the extent required under the Applicable Supervisory Regulations in order for the Notes to be treated under the Applicable Supervisory Regulations as at least Tier 2 Capital of the Issuer and/or the CARAC group) except to the extent permitted under the Applicable Supervisory Regulations and with the Prior Approval of the Relevant Supervisory Authority.

Notwithstanding any other provision herein, the Notes may only be redeemed, purchased or replaced to the extent permitted under, and in accordance with, the Applicable Supervisory Regulations.

Should a Regulatory Deficiency or an Insolvent Insurance Affiliate Winding-up occur after a notice for redemption has been given to the Noteholders, such redemption notice will become automatically void and notice thereof will be given promptly by the Issuer.

If practicable under the circumstances, the Issuer will give notice to the Noteholders and to the Principal Paying Agent of any deferral of the redemption of the Notes. This notice will not be a condition to the deferral of redemption. Any delay or failure by the Issuer to give such notice shall not affect the deferral described above.

In addition, and if required pursuant to the Applicable Supervisory Regulations:

- (a) the Notes may not be purchased or redeemed upon the occurrence of a Rating Methodology Event or if the conditions for a Clean-up Redemption are met, prior to the fifth (5th) anniversary of the Issue Date or, if applicable, the issue date of the last tranche of any Further Notes (whichever is the later), unless the redemption or purchase has been funded out of the proceeds of a new issuance of own funds capital of the same or higher quality as the Notes;
- (b) the Notes may not be redeemed or purchased upon the occurrence of a Regulatory Event prior to the fifth (5th) anniversary of the Issue Date or, if applicable, the issue date of the last tranche of any Further Notes (whichever is the later), unless (i) (x) the Relevant Supervisory Authority has confirmed to the Issuer that it is satisfied that the Solvency Capital Requirement of the Issuer and the CARAC group is exceeded by an appropriate margin (taking into account the position of the Issuer and the CARAC group including the Issuer's and the CARAC group's medium-term capital plan) and (y) the Issuer demonstrates to the satisfaction of the Relevant Supervisory Authority that the Regulatory Event was not reasonably foreseeable at the Issue Date or, if applicable and to the extent so required by applicable laws and regulations, the issue date of the last tranche of any Further Notes (whichever occurs later) and (z) the Relevant Supervisory Authority considers such change in the regulatory classification of the Notes to be sufficiently certain and/or (ii) the redemption or purchase has been funded out of the proceeds of a new issuance of own funds capital of the same or higher quality as the Notes; and
- (c) the Notes may not be redeemed or purchased upon the occurrence of a Tax Deductibility Event, or, if a Redemption Alignment Event has occurred, a Withholding Tax Event or a Gross-Up Event prior to the fifth (5th) anniversary of the Issue Date or, if applicable, the issue date of the last tranche of any Further Notes (whichever is the later), unless (i) (x) the Relevant Supervisory Authority has confirmed to the Issuer that it is satisfied that the Solvency Capital Requirement of the Issuer and the CARAC group is exceeded by an appropriate margin (taking into account the position of the Issuer including the Issuer's and the CARAC group's medium-term capital plan) and (y) Issuer demonstrates to the satisfaction of the Relevant Supervisory Authority that the Tax Deductibility Event, the Withholding Tax Event or, as the case may be, the Gross-Up

Event is material and was not reasonably foreseeable at the Issue Date or, if applicable and to the extent so required by applicable laws and regulations, the issue date of the last tranche of any Further Notes (whichever occurs later) and/or (ii) the redemption or purchase has been funded out of the proceeds of a new issuance of own funds capital of the same or higher quality as the Notes.

Except in circumstances where a Redemption Alignment Event has occurred, the Notes may not be redeemed upon the occurrence of a Withholding Tax Event or a Gross-Up Event prior to the tenth (10th) anniversary of the Issue Date or, if applicable and to the extent so required by applicable laws and regulations, the issue date of the last tranche of any Further Notes (whichever occurs later), unless (but only if, and to the extent so required or otherwise as provided by the Applicable Supervisory Regulations at the time of such redemption or purchase) the redemption or purchase has been funded out of the proceeds of a new issuance of own funds capital of at least the same quality as the Notes.

A “**Redemption Alignment Event**” will be deemed to have occurred if, at any time, the Issuer (a) determines, in consultation with the Relevant Supervisory Authority (if required pursuant to Applicable Supervisory Regulations), that the option to redeem or purchase the Notes upon the occurrence of a Gross-Up Event or Withholding Tax Event from the fifth (5th) anniversary of the Issue Date or, if applicable, the issue date of the last tranche of any Further Notes (whichever is the later), without such redemption or purchase being funded out of the proceeds of a new issuance of own funds capital of the same or higher quality as the Notes would not cause the Notes to no longer fulfil the requirements in order to be treated under the Applicable Supervisory Regulations as at least Tier 2 Capital for the purposes of the determination of the Issuer and/CARAC group’s regulatory capital and (b) gives notice of such determination to the Principal Paying Agent and the Noteholders.

“**Reinsurance Undertaking**” has the meaning ascribed to it in the Solvency II Directive (as defined above).

“**Relevant Anniversary**” means the tenth (10th) anniversary of the Issue Date or, if applicable, the issue date of the last tranche of any Further Notes (whichever is the later), provided however that Relevant Anniversary shall mean the fifth (5th) anniversary of the Issue Date or, if applicable, the issue date of the last tranche of any Further Notes (whichever is the later), if a Redemption Alignment Event has occurred.

Purchase and cancellation of Notes by the Issuer:

The Issuer may, at any time, subject to the Prior Approval of the Relevant Supervisory Authority and to the Conditions to Redemption and Purchase, purchase Notes in the open market or otherwise at any price in accordance with applicable laws and regulations.

All Notes so purchased by the Issuer may (i) be held and resold in accordance with Articles L.213-0-1 and D.213-0-1 of the French *Code monétaire et financier* for the purpose of enhancing the liquidity of the Notes or (ii) be cancelled in accordance with Article L.228-74 of the French *Code de commerce*.

All Notes which are redeemed or purchased for cancellation by the Issuer will forthwith be cancelled (together with rights to interest any other amounts relating thereto) by transfer to an account in accordance with the rules and procedures of Euroclear France. Any Notes so cancelled may not

be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

Bail-in Power:

By the acquisition of Notes, each Noteholder (which, includes any current or future holder of a beneficial interest in the Notes) acknowledges, accepts, consents and agrees:

- (a) to be bound by the effect of the exercise of the Bail-in Power (as defined below) by the Relevant Resolution Authority (as defined below), which may include and result in any of the following, or some combination thereof:
 - (i) the reduction of all, or a portion, of the Amounts Due (as defined below), including on a permanent basis;
 - (ii) the conversion in whole or in part, of the Amounts Due into shares, other securities or other obligations of the Issuer or another person (and the issue to the Noteholder of such shares, securities or obligations), including by means of an amendment, modification or variation of the terms of the Notes, in which case the Noteholder agrees to accept in lieu of its rights under the Notes any such shares, other securities or other obligations of the Issuer or another person;
 - (iii) the cancellation of the Notes;
 - (iv) the amendment or alteration of the term of the Notes or amendment of the amount of interest payable on the Notes, or the date on which the interest becomes payable, including by suspending payment for a temporary period;
 - (v) any other tools and powers provided for in the IRRD, as finally implemented under French law; and/or
 - (vi) any specific French tools and powers pertaining to the recovery and resolution of insurance and reinsurance undertakings.
- (b) that the terms of the Notes are subject to, and may be varied, if necessary, to give effect to, the exercise of the Bail-in Power by the Relevant Resolution Authority.

For these purposes, the “**Amounts Due**” are the prevailing outstanding amount of the Notes, and any accrued and unpaid interest on the Notes that has not been previously cancelled or otherwise is no longer due.

For these purposes, the “**Bail-in Power**” is any power existing from time to time under any laws, regulations, rules or requirements relating to the recovery and resolution of insurance and reinsurance undertakings in effect in France, including but not limited to any such laws, regulations, rules or requirements that are implemented, adopted or enacted within the context of the IRRD, and in each case the instructions, rules and standards created thereunder, pursuant to which the obligations of a Regulated Entity (as defined below) (or an affiliate of such Regulated Entity) can be reduced (in whole or in part), cancelled, suspended, transferred, varied or otherwise modified in any way, or securities of a Regulated Entity (or an affiliate of such Regulated Entity) can be converted into shares, other securities, or other obligations of such Regulated Entity or any other person, whether in

connection with the implementation of a bail-in power following placement in resolution or otherwise.

A reference to a “**Regulated Entity**” is to any entity which includes certain insurance and reinsurance undertakings that are established in the European Union, parent insurance and reinsurance undertakings that are established in the European Union, insurance holding companies and mixed financial holding companies that are established in the European Union, parent insurance holding companies and parent mixed financial holding companies established in a Member State, European Union parent insurance holding companies and European Union parent mixed financial holding companies, certain branches of insurance and reinsurance undertakings that are established outside the European Union according to the IRRD, any entity mentioned in the IRRD to come and as finally implemented under French law, or any entity designated as such under the laws and regulations in effect or which will be in effect in France applicable to the Issuer or other members of its group.

A reference to the “**Relevant Resolution Authority**” is to the *Autorité de contrôle prudentiel et de résolution* (the “**ACPR**”), any insurance resolution authority as determined by the IRRD or any other authority designated as such under the laws and regulations in effect or which will be in effect in France applicable to the Issuer or the CARAC group.

Representation of the Noteholders:

The Noteholders will be grouped automatically for the defence of their respective common interests in a *masse* governed by the provisions of Articles L.228-46 et seq. of the French *Code de commerce* with the exception of Articles L.228-48, L. 228-55, L.228-59, L.228-65 II., R.228-61, R.228-63, R.228-67, R.228-69, R.228-79 and R.236-11 of the French *Code de commerce* subject to certain exceptions and provisions (the “**Masse**”). The Masse will be a separate legal entity, by virtue of Article L.228-46 of the French *Code de commerce*, acting in part through a representative and in part through collective decisions of the Noteholders.

Admission to trading:

Application has been made for the Notes to be admitted to trading on Euronext Growth.

Rating:

The Notes have been rated BBB+ by S&P Global Ratings Europe Limited.

A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time.

Clearing:

The Notes have been accepted for clearance through Euroclear France, Clearstream Banking S.A. and Euroclear Bank SA/NV.

Selling Restrictions:

There are restrictions on the offer and sale of the Notes and the distribution of offering material, including in the United States of America, the United Kingdom, Belgium, France and Canada.

Governing Law and Jurisdiction:

French law. Any competent courts within the jurisdiction of the *Cour d’Appel* of Paris.

Use of Proceeds:.....

The net proceeds from the issue of the Notes will be used by the Issuer for general corporate purposes, including to take advantage of any opportunities for external growth and, more broadly, to support the development of CARAC.

DOCUMENTS INCORPORATED BY REFERENCE

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

- (a) the audited financial statements of the Issuer as at, and for the year ended, 31 December 2024 (the **2024 CARAC Audited Financial Statements**), together with the related statutory auditors' report both in French;
- (b) the audited financial statements of the Issuer as at, and for the year ended, 31 December 2023 (the **2023 CARAC Audited Financial Statements**), together with the related statutory auditors' report both in French;
- (c) the solvency and financial condition report of the Issuer, for the year ended 31 December 2024 in French (the "**2024 CARAC SFCR**");
- (d) the solvency and financial condition report of the CARAC group, for the year ended 31 December 2024 in French (the "**2024 CARAC group SFCR**")
- (e) the audited consolidated financial statements of the CARAC group as at, and for the year ended, 31 December 2024 (the **2024 CARAC group Audited Consolidated Financial Statements**), together with the related statutory auditors' report both in French; and
- (f) the audited consolidated financial statements of the CARAC group as at, and for the year ended, 31 December 2023 (the **2023 CARAC group Audited Consolidated Financial Statements**), together with the related statutory auditors' report both in French.

Any statement contained in a document which is incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Information Memorandum to the extent that a statement contained herein 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 Information Memorandum.

Copies of the documents incorporated by reference in this Information Memorandum in paragraphs (a) to (f) above (inclusive) will be available on the website of the Issuer (<https://www.carac.fr/investisseurs>).

Other than in relation to the documents which are deemed to be incorporated by reference, the information on the websites to which this Information Memorandum refers does not form part of this Information Memorandum.

A free English translation of certain extracts of (i) the financial statements of the Issuer for the year ended 31 December 2024, (ii) the consolidated financial statement of the CARAC group for the year ended 31 December 2024 and (iii) the 2024 CARAC SFCR are available on the website of the Issuer (<https://www.carac.fr/investisseurs>). These documents are free translations of the corresponding documents in the French language and are furnished for information purposes only and are not incorporated by reference in this Information Memorandum. The only binding versions are the French language versions.

Any parts of the 2024 CARAC Audited Financial Statements, 2023 CARAC Audited Financial Statements, 2024 CARAC group Audited Consolidated Financial Statements and 2023 CARAC group Audited Consolidated Financial Statements not listed in the cross-reference list below shall not be incorporated by reference and form part of this Information Memorandum and are either not relevant for the investors or covered elsewhere in this Information Memorandum.

CROSS-REFERENCE TABLE OF DOCUMENTS INCORPORATED BY REFERENCE

| Financial Information concerning the Issuer and the group | | | | |
|--|--|--|---|---|
| | 2024 CARAC Audited Financial Statements | 2023 CARAC Audited Financial Statements | 2024 CARAC group Audited Consolidated Financial Statements | 2023 CARAC group Audited Consolidated Financial Statements |
| Income statement | Pages 25-26 | Page 23-24 | Page 97 | Page 15 |
| Balance sheet | Pages 23-24 | Pages 21-22 | Pages 95-96 | Page 14 |
| Received and given commitments | | | Page 97 | Page 15 |
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| Statutory Auditors Report | Pages 51 to 55 | Pages 44 to 51 | Pages 124 to 129 | Pages 35 to 42 |

TERMS AND CONDITIONS OF THE NOTES

The terms and conditions of the Notes will be as follows:

The issue of EUR 300,000,000 Fixed to Floating subordinated Tier 2 notes due 5 February 2046 (the “**Notes**”) of la Mutuelle d’Epargne, de Retraite et de Prévoyance CARAC (*mutuelle régie par le Code de la Mutualité*) (“**CARAC**” or the “**Issuer**”) was authorised pursuant to a resolution of the General Assembly (*Assemblée Générale*) of the Issuer dated 3 November 2025 and a resolution of the Board of Directors (*Conseil d’administration*) of the Issuer dated 28 January 2026.

The Issuer has entered into an agency agreement (the “**Agency Agreement**”) dated 3 February 2026 with BNP PARIBAS as principal paying agent, fiscal agent and calculation agent. The principal paying agent, the paying agents, the fiscal agent and the calculation agent for the time being are referred to in these Conditions, respectively, as the “**Principal Paying Agent**”, the “**Paying Agents**”, the “**Fiscal Agent**” and the “**Calculation Agent**” (which expression shall include the Principal Paying Agent, any future paying agent, fiscal agent and calculation agent duly appointed by the Issuer in accordance with the Agency Agreement), each of which expression shall include the successors from time to time of the relevant persons, in such capacities, under the Agency Agreement, and are collectively referred to as the “**Agents**”. Copies of the Agency Agreement are available for inspection at the specified offices of the Paying Agents. References to “**Conditions**” are, unless the context otherwise requires, to the numbered paragraphs below.

1. Definitions

For purposes hereof, the following definitions shall apply:

“**1st Ranking Senior Subordinated Notes**” has the meaning ascribed to it in Condition 3.2 (*Dynamic ranking*).

“**Account Holder**” means any authorised financial intermediary institution entitled to hold accounts directly or indirectly on behalf of its customers with Euroclear France, and includes Euroclear Bank SA/NV (“**Euroclear**”) and Clearstream Banking S.A. (“**Clearstream**”).

“**Actual/360**” means the actual number of days divided by 360.

“**Actual/Actual (ICMA)**” means:

- (a) where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Issue Date) to (but excluding) the relevant payment date (the “**Accrual Period**”) is equal to or shorter than the Interest Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the number of days in such Interest Period; or
- (b) where the Accrual Period is longer than the Interest Period during which the Accrual Period ends, the sum of:
 - (i) the number of days in such Accrual Period falling in the Interest Period in which the Accrual Period begins divided by the number of days in such Interest Period; and
 - (ii) the number of days in such Accrual Period falling in the next Interest Period divided by the number of days in such Interest Period.

“**Additional Amounts**” has the meaning ascribed to it in Condition 8 (*Taxation*).

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

- (a) in the case of a Successor Rate, is formally recommended or formally provided as an option for parties to adopt in relation to the replacement of the Reference Rate with the successor rate by any Relevant Nominating Body; or (if no such recommendation or provision has been made, or in the case of an Alternative Rate)
- (b) the Independent Adviser determines, is customarily applied to the relevant Successor Rate or the Alternative Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Reference Rate (or component part thereof); or
- (c) if the Independent Adviser determines that no such spread is customarily applied, the Independent Adviser determines and which is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Reference Rate (or component part thereof), where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be).

“**Alternative Rate**” means an alternative benchmark or screen rate which the Independent Adviser determines in accordance with Condition 5.4 (*Benchmark Discontinuation*) and which is customarily applied in international debt capital markets transactions for the purposes of determining rates of interest (or the relevant component part thereof) for a determined interest period in euro.

“**Amounts Due**” has the meaning ascribed to it in Condition 15 (*Acknowledgement of Bail-In and Write-Down or Conversion powers*).

“**Applicable Supervisory Regulations**” means the Solvency II Directive as implemented under French law, the Solvency II Regulation and the solvency margin, capital adequacy requirements or any other regulatory capital rules (including the guidelines and recommendations of the European Insurance and Occupational Pensions Authority (or any successor authority), the official application or interpretation of the Relevant Supervisory Authority thereof and any applicable decision of any court or tribunal) from time to time in effect in France (or if the Issuer becomes domiciled in a jurisdiction other than France, such other jurisdiction) and applicable to the Issuer and/or the CARAC group (including for the purpose of any capital requirements of internationally active insurance groups), which would lay down the requirements to be fulfilled by financial instruments for inclusion as at least Tier 2 Capital that the Notes would be expected to fall under on or about the Issue Date, as opposed to own funds regulatory capital of any other tier (or, if different, whatever terminology is employed to denote such concept), for single solvency and group solvency purposes of the Issuer and/or the CARAC group.

“**Arrears of Interest**” has the meaning ascribed to it in Condition 5.2 (*Interest Deferral*).

“**Bail-in Power**” has the meaning ascribed to it in Condition 15 (*Acknowledgement of Bail-In and Write-Down or Conversion Powers*).

“**Base Call Price**” is equal to the Principal Amount of the Notes together with (to the extent that such interest has not been deferred in accordance with the Conditions) any accrued and unpaid interest up to the date fixed for redemption.

“**Benchmark Event**” means, with respect to the Reference Rate (or component part thereof):

- (a) the Reference Rate (or component part thereof) ceasing to be published for a period of at least five (5) consecutive Business Days or ceasing to exist; and/or
- (b) a public statement or publication of information by or on behalf of the administrator of the Reference Rate (or component part thereof), announcing that it has ceased or will cease to publish the Reference Rate (or component part thereof), permanently or indefinitely (provided that, at that time, there is no successor administrator that will continue to provide the Reference Rate); and/or
- (c) a public statement or public of information by the supervisor of the administrator of the Reference Rate (or component part thereof), that the Reference Rate (or component part thereof) has been or will be permanently or indefinitely discontinued; and/or

- (d) a public statement or publication of information by the supervisor of the administrator of the Reference Rate (or component part thereof) that the Reference Rate (or component part thereof) has been or will be prohibited from being used either generally, or that its use will be subject to restrictions or adverse consequences which would not allow its further use in respect of the Notes; and/or
- (e) a public statement or publication of information by the supervisor of the administrator of the Reference Rate (or component part thereof) that, in the view of such supervisor, such Reference Rate (or component part thereof) is no longer representative of an underlying market or the methodology to calculate the Reference Rate has materially changed; and/or
- (f) it has or will become unlawful for the Issuer, the Calculation Agent or the Paying Agent to calculate any payment due to be made to any Noteholder using the Reference Rate (or component part thereof); and/or
- (g) that a decision to withdraw the authorisation or registration pursuant to Article 35 of the Benchmarks Regulation of any benchmark administrator previously authorised to publish such Reference Rate (or component part thereof) has been adopted;

provided that, the Benchmark Event shall occur on the earlier of the dates of the events referenced in sub-paragraphs (b), (c), (d), and (e).

“Benchmarks Regulation” means Regulation (EU) 2016/1011, as amended.

“Business Day” means a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchanges settle payments and are open for business (including dealings in foreign exchanges and foreign currency deposits) in Paris and a T2 Settlement Day.

“CARAC group” means the Issuer together with its consolidated subsidiaries as construed under Applicable Supervisory Regulations.

“Collective Decisions” has the meaning ascribed to it in Condition 11.1 (*Legal Personality*).

“Compulsory Interest Payment Date” means each Interest Payment Date on which, or prior to which at any time during a period of six (6) months, a Compulsory Interest Payment Event occurred; provided, however, that this Interest Payment Date is not a Mandatory Deferral Interest Payment Date.

“Compulsory Interest Payment Event” means any of the following events has occurred:

- (i) the Issuer has made a payment on any other Ordinary Subordinated Obligations, unless such payment was a mandatory payment under the terms of any such other Ordinary Subordinated Obligations of the Issuer;
- (ii) the Issuer has made a payment on any securities ranking junior to Ordinary Subordinated Obligations (including on any Mutual Certificates) unless such payment was a mandatory payment under the terms of any such securities;
- (iii) the Issuer has redeemed, purchased or acquired any Ordinary Subordinated Obligations by any means unless such redemption, purchase or acquisition was a mandatory redemption, purchase or acquisition under the terms of any such securities; and
- (iv) the Issuer has redeemed, purchased or acquired any securities ranking junior to Ordinary Subordinated Obligations (including any partial prepayment of such securities) by any means unless such redemption, purchase or acquisition was a mandatory redemption, purchase or acquisition under the terms of any such securities.

“Conditions to Redemption and Purchase” means the conditions to redemption and purchase set out in Condition 6.9 (*Conditions to Redemption and Purchase*).

“**Conditions to Settlement**” has the meaning ascribed to it in Condition 5.2 (*Interest Deferral*).

“**Deeply Subordinated Obligations**” means any present and future Obligations which constitute direct, unconditional, unsecured and deeply subordinated Obligations of the Issuer, which rank and will at all times rank (i) equally and rateably with any other present and future Deeply Subordinated Obligations of the Issuer, but (ii) in priority to present and future Mutual Certificates and (iii) junior to all present and future Unsubordinated Obligations, other obligations (including without limitation 1st Ranking Senior Subordinated Notes) expressed to rank senior to Deeply Subordinated Obligations, if any, Senior Subordinated Obligations, Ordinary Subordinated Obligations of the Issuer and *prêts participatifs* granted to, and *titres participatifs* issued by the Issuer.

“**First Call Date**” means 5 August 2035.

“**Fixed Rate Day Count Fraction**” means Actual/Actual (ICMA).

“**Fixed Interest Amount**” means the amount of interest payable on the Notes in respect of each Fixed Interest Period as described in Condition 5.1 (*Fixed Rate Interest Period*).

“**Fixed Interest Payment Date**” means 5 February in each year, commencing on 5 February 2027, to (and including) the Switch Date.

“**Fixed Interest Period**” means the period from (and including) a Fixed Interest Payment Date (or, if none, the Issue Date) to (but excluding) the next (or first) Fixed Interest Payment Date.

“**Fixed Rate of Interest**” means 4.375 per cent. per annum.

“**Floating Interest Amount**” means the amount of interest payable on the Notes in respect of each Floating Interest Period as described in Condition 5.1 (*Floating Rate Interest Period*).

“**Floating Interest Determination Date**” means the second T2 Settlement Day prior to the commencement of each Floating Interest Period.

“**Floating Interest Payment Date**” means 5 February, 5 May, 5 August and 5 November in each year thereafter commencing on 5 May 2036 to (and including) the Redemption Date, in each case, subject to adjustment in accordance with the Modified Following Business Day Convention.

“**Floating Interest Period**” means the period from (and including) a Floating Interest Payment Date (or, if none, the Switch Date) to (but excluding) the next (or first) Floating Interest Payment Date.

“**Floating Rate Day Count Fraction**” means Actual/360.

“**Floating Rate of Interest**” means the aggregate of the Reference Rate (as determined pursuant to Condition 5.1 (*Floating Rate Interest Period*)) plus the Margin.

“**Further Notes**” has the meaning ascribed to it in Condition 13 (*Further Issues*).

“**General Meeting**” has the meaning ascribed to it in Condition 11.4 (*Collective Decisions*).

“**Gross-Up Event**” has the meaning ascribed to it in Condition 6.3 (*Redemption for Taxation Reasons*).

“**Independent Adviser**” means an independent financial institution of international repute or an independent financial adviser of recognised standing with appropriate expertise appointed by the Issuer at its own expenses under Condition 5.4 (*Benchmark Discontinuation*).

“**Insolvent Insurance Affiliate Winding-up**” means:

- (a) the winding-up of any Insurance Undertaking or any Reinsurance Undertaking within the CARAC group; or
- (b) the appointment of an administrator of any Insurance Undertaking or any Reinsurance Undertaking within the CARAC group,

in each case, where the Issuer has determined, acting reasonably and in consultation with the Relevant Supervisory Authority, that the assets of that Insurance Undertaking or that Reinsurance Undertaking within the CARAC group may or will not be sufficient to meet all claims of the policyholders pursuant to a contract of insurance of that Insurance Undertaking or to a contract of reinsurance of that Reinsurance Undertaking which is subject to a winding-up or administration process (and for these purposes, the claims of policyholders pursuant to any such contract of insurance or to any such contract of reinsurance shall include all amounts to which policyholders are entitled under applicable legislation or rules relating to the winding-up of Insurance Undertakings or the winding-up of Reinsurance Undertakings that reflect any right to receive or expectation of receiving benefits which policyholders may have).

“**Insurance Undertaking**” has the meaning ascribed to it in the Solvency II Directive.

“**Interest Payment Date**” means a Fixed Interest Payment Date or a Floating Interest Payment Date, as the case may be.

“**Interest Period**” means a Fixed Interest Period or a Floating Interest Period, as the case may be.

“**IRRD**” means Directive (EU) 2025/1 of the European Union of 27 November 2024 establishing a framework for the recovery and resolution of insurance and reinsurance undertakings, as amended from time to time, the further legislative acts of the European Union enacted in relation thereto and the French legislation implementing the same.

“**Issue Date**” means 5 February 2026.

“**Mandatory Deferral Interest Payment Date**” means each Interest Payment Date in respect of which the Noteholders and the Principal Paying Agent have received written notice from the Issuer confirming that a Regulatory Deficiency has occurred and such Regulatory Deficiency is continuing on such Interest Payment Date, or such interest payment (and, if relevant, any Arrears of Interest) would itself cause a Regulatory Deficiency provided, however, that the relevant Interest Payment Date will not be a Mandatory Deferral Interest Payment Date in relation to such interest payment (or such part thereof) if, cumulatively:

- (a) the Relevant Supervisory Authority has exceptionally waived the deferral of such interest payment (and, if relevant, any Arrears of Interest) (to the extent the Relevant Supervisory Authority can give such waiver in accordance with the Applicable Supervisory Regulations);
- (b) paying the interest payment (and, if relevant, any Arrears of Interest) does not further weaken the solvency position of the Issuer and/or the CARAC group as determined in accordance with the Applicable Supervisory Regulations; and
- (c) the Minimum Capital Requirement will be complied with immediately after the interest payment (and, if relevant, any Arrears of Interest) is made.

“**Margin**” means 2.60 per cent. per annum.

“**Masse**” has the meaning ascribed to it in Condition 11 (*Representation of the Noteholders*).

“**Minimum Capital Requirement**” means (i) the Minimum Capital Requirement of the Issuer and/or (ii) the minimum consolidated group Solvency Capital Requirement of the CARAC group (as applicable) and/or (iii) any applicable successor trigger metric, all as defined and in accordance with the meaning of the Applicable Supervisory Regulations.

“**Modified Following Business Day Convention**” means if a relevant payment date is not a Business Day, it shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which case it will be brought forward to the immediately preceding Business Day.

“**Mutual Certificates**” means any mutual certificates (*certificats mutualistes*) that may be issued from time to time by the Issuer in accordance with article L. 221-19 of the French *Code de la Mutualité*.

“**Noteholder**” means, in respect of any Notes, the person whose name appears in the account of the relevant Account Holder as being entitled to such Notes.

“**Obligation**” means any payment obligation expressed to be assumed by or imposed on, the Issuer under or arising as a result of any contract, agreement, document, instrument or conduct or relationship or by operation of law (including any bonds, borrowings or notes).

“**Optional Interest Payment Date**” means any Interest Payment Date other than a Mandatory Deferral Interest Payment Date or a Compulsory Interest Payment Date.

“**Ordinary Subordinated Obligations**” means any Obligations which constitute direct, unconditional, unsecured and subordinated Obligations of the Issuer and which rank and will at all times rank (i) equally and rateably with any other present and future Ordinary Subordinated Obligations of the Issuer, but (ii) in priority to all present and future Mutual Certificates, Deeply Subordinated Obligations, *prêts participatifs* granted to, and *titres participatifs* issued by, the Issuer, and (iii) junior to all present and future Unsubordinated Obligations, Senior Subordinated Obligations of the Issuer and other obligations (including without limitation 1st Ranking Senior Subordinated Notes) expressed to rank senior to Ordinary Subordinated Obligations, if any.

“**Prior Approval of the Relevant Supervisory Authority**” means the prior written approval of the Relevant Supervisory Authority, if such approval is required at the time under any Applicable Supervisory Regulations and provided that such approval has not been withdrawn by the date set for redemption, purchase or payment, as the case may be.

“**Principal Amount**” means in respect of each Note, EUR 100,000 being the principal amount of each Note on the Issue Date.

“**Rating Agency**” means S&P Global Ratings Europe Limited or any other rating agency of equivalent international standing (and their respective successors or affiliates) solicited by the Issuer to grant a credit rating to the Issuer.

A “**Rating Methodology Event**” will be deemed to occur upon a change in the methodology of the Rating Agency (or in the interpretation of such methodology) as a result of which the equity credit in the capital adequacy assessment assigned by such Rating Agency to the Notes is, in the reasonable opinion of the Issuer, materially reduced when compared to the equity credit in the capital adequacy assessment assigned by such Rating Agency to the Notes at or around the date when the equity credit in the capital adequacy assessment is assigned in the first instance. In this definition, equity credit may also refer to any other nomenclature that the Rating Agency may then use to describe the contribution of the Notes to capital adequacy in the applicable rating methodology.

A “**Redemption Alignment Event**” will be deemed to have occurred if, at any time, the Issuer (a) determines, in consultation with the Relevant Supervisory Authority (if required pursuant to Applicable Supervisory Regulations), that the option to redeem or purchase the Notes upon the occurrence of a Gross-Up Event or Withholding Tax Event from the fifth (5th) anniversary of the Issue Date or, if applicable, the issue date of the last tranche of any Further Notes (whichever is the later), without such redemption or purchase being funded out of the proceeds of a new issuance of own funds capital of the same or higher quality as the Notes would not cause the Notes to no longer fulfil the requirements in order to be treated under the Applicable Supervisory Regulations as at least Tier 2 Capital for the purposes of the determination of the Issuer and/CARAC group’s regulatory capital and (b) gives notice of such determination to the Principal Paying Agent and the Noteholders.

“**Redemption Date**” means the effective date of redemption of the Notes.

“**Reference Banks**” means the principal Euro-zone office of four major banks in the Euro-zone interbank market, in each case selected by the Issuer.

“**Reference Rate**” means the European interbank offered rate (EURIBOR) for euro deposits of a maturity of three (3) months.

“**Regulated Entity**” has the meaning ascribed to it in Condition 15 (*Acknowledgement of Bail-In and Write-Down or Conversion powers*).

“**Regulatory Deficiency**” means:

- (a) the own funds regulatory capital (or, if different, whatever terminology is employed to denote such concept by the then Applicable Supervisory Regulations) of the Issuer and/or the CARAC group is not sufficient to cover its Solvency Capital Requirement, its Minimum Capital Requirement or any applicable capital requirements for insurance groups) (or, if different, whatever terminology is employed to denote such requirement by the then Applicable Supervisory Regulations) whichever occurs earlier; or
- (b) the Relevant Supervisory Authority has notified the Issuer that it has determined, in view of the financial condition of the Issuer and/or any entity of the CARAC group, that in accordance with the Applicable Supervisory Regulations at such time, the Issuer must take specified action in relation to the Notes and/or payments thereunder; or
- (c) the Issuer admits it is or is declared unable to meet its liabilities as they fall due with its immediately disposable assets (*cessation des paiements*),

in each case without taking into account any Prior Approval of the Relevant Supervisory Authority being granted on an exceptional basis with respect to the payment of interest or Arrears of Interest on, and/or the redemption or purchase of, the Notes.

For the avoidance of doubt, a Regulatory Deficiency will be deemed to have occurred if and when the Issuer or the CARAC group fails to meet the Solvency Capital Requirement or Minimum Capital Requirement or upon the date of *cessation des paiements* following (c) above.

“**Regulatory Event**” means that, on or after the Issue Date, the Issuer and/or the CARAC group (i) are subject to regulatory supervision by the Relevant Supervisory Authority, and (ii) are no longer permitted to treat the Notes (in whole or in part) (x) as eligible for the purpose of the determination of the solvency margin or capital adequacy levels of the Issuer and/or the CARAC group under the Applicable Supervisory Regulations or (y) as at least Tier 2 Capital for the purpose of the determination of the regulatory capital of the Issuer and/or the CARAC group under Applicable Supervisory Regulations, except, in each case, as a result of the application of any limits on the inclusion of the Notes in, respectively, the solvency margin or own funds regulatory capital of the Issuer and/or the CARAC group as Tier 2 Capital.

“**Reinsurance Undertaking**” has the meaning ascribed to it in the Solvency II Directive.

“**Relevant Anniversary**” means the tenth (10th) anniversary of the Issue Date or, if applicable, the issue date of the last tranche of any Further Notes (whichever is the later), provided however that Relevant Anniversary shall mean the fifth (5th) anniversary of the Issue Date or, if applicable, the issue date of the last tranche of any Further Notes (whichever is the later), if a Redemption Alignment Event has occurred.

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

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

“**Relevant Resolution Authority**” has the meaning ascribed to it in Condition 15 (*Acknowledgement of Bail-In and Write-Down or Conversion powers*).

“**Relevant Supervisory Authority**” means any relevant regulator having jurisdiction over the Issuer and/or the CARAC group, in the event that the Issuer and/or the CARAC group is required to comply with certain applicable solvency margins or capital adequacy levels. The current Relevant Supervisory Authority of the Issuer and the CARAC group is the *Autorité de contrôle prudentiel et de résolution*.

“**Representative**” has the meaning ascribed to it in Condition 11.1 (*Legal Personality*).

“**Scheduled Maturity Date**” means, unless previously redeemed or purchased and cancelled pursuant to Condition 6 (*Redemption and Purchase*), the date on which the Notes will be redeemed being 5 February 2046 if the Conditions to Redemption and Purchase are satisfied and otherwise as soon thereafter as the Conditions to Redemption and Purchase are so satisfied.

“**Screen Page**” means Bloomberg EUR003M or such other information service which is the successor to Bloomberg EUR003M.

“**Senior Notes**” means notes which are direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank *pari passu* among themselves and (save for certain obligations required to be preferred by law) equally with all other present and future unsecured and unsubordinated obligations of the Issuer, from time to time outstanding.

“**Senior Subordinated Obligations**” means any Obligations which constitute direct, unconditional, unsecured and subordinated Obligations of the Issuer and which rank and will at all times rank (i) equally and rateably with any other present and future Senior Subordinated Obligations of the Issuer, but (ii) in priority to present and future Mutual Certificates, Deeply Subordinated Obligations, Ordinary Subordinated Obligations, *prêts participatifs* granted to, and *titres participatifs* issued by the Issuer, and (iii) junior to all present and future Unsubordinated Obligations of the Issuer and other obligations (including without limitation 1st Ranking Senior Subordinated Notes) expressed to rank senior to Senior Subordinated Obligations, if any.

“**Solvency II Directive**” means Directive 2009/138/EC of the European Union of 25 November 2009 on the taking-up and pursuit of the business of insurance and reinsurance (Solvency II), as amended from time to time, the further legislative acts of the European Union enacted in relation thereto and the French legislation implementing the same.

“**Solvency II Regulation**” means Commission Delegated Regulation (EU) 2015/35 of 10 October 2014, as amended from time to time.

“**Solvency Capital Requirement**” means the Solvency Capital Requirement of the Issuer and/or the CARAC group (as applicable) within the meaning of the Applicable Supervisory Regulations.

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

“**Switch Date**” means 5 February 2036.

“**T2 Settlement Day**” means any day on which T2 System is operating.

“**T2 System**” means the real-time gross settlement system operated by the Eurosystem or any successor or replacement for that system.

A “**Tax Alignment Event**” will be deemed to have occurred if at any time the Issuer determines, in consultation with the Relevant Supervisory Authority, that the obligation to pay Additional Amounts would not cause the Notes to no longer be treated under Applicable Supervisory Regulations as at least Tier 2 Capital and gives notice of such fact to the Principal Paying Agent and the Noteholders, in accordance with Condition 12 (*Notices*).

“**Tax Deductibility Event**” has the meaning ascribed to it in Condition 6.3 (*Redemption for Taxation Reasons*).

“**Tier 2 Capital**” has the meaning given to such term in the Applicable Supervisory Regulations from time to time (or whatever the terminology employed by the Applicable Supervisory Regulations).

“**Tier 2 Own Funds**” means subordinated loans or notes, ordinary shares or any other share capital of any class which constitute Tier 2 Capital for the purposes of the Issuer or the CARAC group.

“**Tier 3 Capital**” has the meaning given to such term in the Applicable Supervisory Regulations from time to time (or whatever the terminology employed by the Applicable Supervisory Regulations).

“**Tier 3 Own Funds**” means subordinated loans or notes, ordinary shares or any other share capital of any class which constitute Tier 3 Capital for the purposes of the Issuer or the CARAC group.

“**Unsubordinated Obligations**” means any Obligations which constitute direct, unconditional and unsubordinated Obligations of the Issuer and which rank and will at all times rank (i) equally and rateably with any other present and future Unsubordinated Obligations of the Issuer, but (ii) in priority to present and future Mutual Certificates, *prêts participatifs* granted to, *titres participatifs* issued by the Issuer, Senior Subordinated Obligations, Ordinary Subordinated Obligations, Deeply Subordinated Obligations of the Issuer.

“**Waived Set-Off Rights**” has the meaning ascribed to it in Condition 14 (*Waiver of Set-off*).

“**Withholding Tax Event**” has the meaning ascribed to it in Condition 6.3 (*Redemption for Taxation Reasons*).

“**Written Decision**” has the meaning ascribed to it in Condition 11.4 (*Collective Decisions*).

2. **Form, Denomination and Title**

The Notes are issued on the Issue Date in dematerialised bearer form (*au porteur*) in the denomination of EUR 100,000 each. Title to the Notes will be evidenced in accordance with Articles L.211-3 *et seq.* and R.211-1 *et seq.* of the French *Code monétaire et financier* by book-entries (*inscription 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 Notes. The Notes will, upon issue, be inscribed in the books of Euroclear France (“**Euroclear France**”), which shall credit the accounts of the relevant Account Holders.

Title to the Notes shall be evidenced by entries in the books of Account Holders and will pass upon, and transfer of Notes may only be effected through, registration of the transfer in such books. All sums due in respect of the Notes shall be paid by the Principal Paying Agent on behalf of the Issuer to the Account Holders for the account of the relevant Noteholders.

3. **Status of the Notes and Subordination**

The Notes are ordinary subordinated obligations of the Issuer, the status of which may change as follows during the life of the Notes:

3.1 **Ordinary Subordinated Obligations**

The Notes constitute Ordinary Subordinated Obligations. The Notes are direct, unconditional, unsecured and subordinated obligations of the Issuer and rank and will rank *pari passu* without any preference among themselves and *pari passu* with any other Ordinary Subordinated Obligations outstanding from time to time, to the extent required by the Applicable Supervisory Regulations (and in particular the last paragraph of article 38(1) of the IRRD, as finally implemented under French law) for so long as any such Ordinary Subordinated Obligations continue to constitute (or would constitute but for any applicable limitation on the amount of such capital) Tier 2 Own Funds of the Issuer and/or the CARAC group under the then Applicable Supervisory Regulations.

The Notes shall be subordinated to all present and future:

- (a) Senior Subordinated Obligations of the Issuer;
- (b) other obligations (including without limitation 1st Ranking Senior Subordinated Notes) expressed to rank senior to Ordinary Subordinated Obligations, if any; and
- (c) Unsubordinated Obligations of the Issuer.

in each case outstanding from time to time, but shall rank in priority to any Mutual Certificates of the Issuer, any *titres participatifs* issued by or any *prêts participatifs* granted to the Issuer and any Deeply Subordinated Obligations.

In the context of voluntary or judicial liquidation of the Issuer, bankruptcy proceedings or any other similar proceedings affecting the Issuer, no payment will be made to holders of Mutual Certificates, to holders of *titres participatifs* issued by, or *prêts participatifs* granted to the Issuer or to holders of Deeply Subordinated Obligations before all amounts due, but unpaid, to all Noteholders under the Notes have been paid by the Issuer.

In the event of incomplete payment of creditors ranking senior to holders of Ordinary Subordinated Obligations (in the context of voluntary or judicial liquidation of the Issuer, bankruptcy proceedings or any other similar proceedings affecting the Issuer), the obligations of the Issuer in connection with the Ordinary Subordinated Obligations will be terminated. The holders of Ordinary Subordinated Obligations shall take all steps necessary for the orderly accomplishment of any collective proceedings or voluntary liquidation.

3.2 Dynamic Ranking

Subparagraph 3.2(a) below shall apply only to the extent, and for so long as, required by, and subparagraph 3.2(b) below shall apply only to the extent, and for so long as, permitted by, the Applicable Supervisory Regulations (and in particular the last paragraph of article 38(1) of the IRRD, as finally implemented under French law).

- (a) Should the Notes no longer be treated as own funds regulatory capital (“**Notes Disqualified as Own Funds**”), and for so long as they constitute Notes Disqualified as Own Funds, they will cease to constitute Ordinary Subordinated Obligations, and will automatically constitute 1st Ranking Senior Subordinated Notes (as defined below) without the need for any action from the Issuer and without consultation of the Noteholders.

The 1st Ranking Senior Subordinated Notes are direct, unconditional, unsecured and senior subordinated obligations of the Issuer and rank *pari passu* without any preference among themselves and *pari passu* with any other existing or future direct, unconditional, unsecured and 1st ranking senior subordinated obligations of the Issuer (any such obligations, “**1st Ranking Senior Subordinated Notes**”), and shall be subordinated to all direct, unconditional, unsecured and unsubordinated obligations of the Issuer (including any Senior Notes), in each case outstanding from time to time, but shall rank in priority to any Senior Subordinated Obligations, any existing or future direct, unconditional, unsecured and subordinated obligations of the Issuer that rank or are expressed to rank *pari passu* with the Senior Subordinated Obligations, any subordinated obligations of the Issuer that rank or are expressed to rank junior to the Senior Subordinated Obligations, any Ordinary Subordinated Obligations of the Issuer, any *prêts participatifs* granted to the Issuer, any *titres participatifs* issued by the Issuer, any Deeply Subordinated Obligations of the Issuer and any Mutual Certificates of the Issuer.

- (b) Should the Notes no longer be treated as Tier 2 Own Funds but be treated as tier 3 own funds regulatory capital (“**Notes Disqualified as Tier 2 Own Funds but Qualified as Tier 3 Own Funds**”), and for so long as they constitute Notes Disqualified as Tier 2 Own Funds but Qualified as Tier 3 Own Funds, they will cease to constitute Ordinary Subordinated Obligations, and will automatically constitute Senior Subordinated Obligations without the need for any action from the Issuer and without consultation of the Noteholders.

The Senior Subordinated Obligations are direct, unconditional, unsecured and senior subordinated obligations of the Issuer and rank *pari passu* without any preference among themselves and *pari passu* with any other existing or future direct, unconditional, unsecured and Senior Subordinated Obligations, and shall be subordinated to:

- all direct, unconditional, unsecured and unsubordinated obligations of the Issuer (including any Senior Notes); and
- other obligations (including without limitation 1st Ranking Senior Subordinated Notes) expressed to rank senior to Senior Subordinated Obligations, if any,

in each case outstanding from time to time, but shall rank in priority to any Ordinary Subordinated Obligations, any existing or future direct, unconditional, unsecured and subordinated obligations of the Issuer that rank or are expressed to rank *pari passu* with the Ordinary Subordinated Obligations, any *prêts participatifs* granted to the Issuer, any *titres participatifs* issued by the Issuer, any Deeply Subordinated Obligations of the Issuer and any Mutual Certificates of the Issuer.

Pursuant to Article L. 212-23 of the French *Code de la Mutualité*, a lien (*privilège*) over the assets of the Issuer is granted for the benefit of the Issuer's policyholders. Noteholders, even if they are policyholders of the Issuer, do not have the benefit of such lien in relation to amounts due under the Notes.

4. Negative Pledge

There will be no negative pledge in respect of the Notes.

5. Interest

5.1 Rate of Interest

Fixed Rate Interest Period

- (a) Subject to Condition 5.2 (*Interest Deferral*), the Notes bear interest from (and including) the Issue Date to (but excluding) the Switch Date at a rate equal to the Fixed Rate of Interest payable annually in arrear on each Fixed Interest Payment Date. The Fixed Interest Amount payable on each Fixed Interest Payment Date shall be calculated by applying the Fixed Rate of Interest to the Principal Amount, and rounding the resultant figure to the nearest Euro cent (with half of a Euro cent being rounded upwards).
- (b) Subject to Condition 5.2 (*Interest Deferral*), the Notes will cease to bear interest from (and including) the Redemption Date if and when such Redemption Date falls in a Fixed Interest Period, unless payment of the Principal Amount is improperly withheld or refused on such date or unless default is otherwise made in respect of the payment. In such event and subject as provided herein, the Notes will continue to bear interest at the Fixed Rate of Interest on their remaining unpaid amount until the day on which all sums due in respect of the Notes up to (but excluding) that day are received by or on behalf of the relevant Noteholder.
- (c) If interest is required to be calculated for a period other than a Fixed Interest Period, such interest shall be calculated by applying the Fixed Rate of Interest to the Principal Amount, multiplying the resultant figure by the Fixed Rate Day Count Fraction, and rounding the resultant figure to the nearest Euro cent (with half of a Euro cent being rounded upwards).

Floating Rate Interest Period

- (a) Subject to Condition 5.2 (*Interest Deferral*), the Notes bear interest from (and including) the Switch Date to (but excluding) the Redemption Date at a rate equal to the Floating Rate of Interest payable quarterly in arrear on each Floating Interest Payment Date.

- (b) If a Floating Interest Payment Date would otherwise fall on a date which is not a Business Day, it will be adjusted in accordance with the Modified Following Business Day Convention.
- (c) Subject to Condition 5.2 (*Interest Deferral*), on each Floating Interest Payment Date the rate of interest will be the Reference Rate (expressed as a percentage rate per annum) which appears on the Screen Page at approximately 11:00 a.m. (Central European Time) on the relevant Floating Interest Determination Date, as determined by the Calculation Agent.

If the Screen Page is not available, the Calculation Agent shall request the principal office in the Euro-zone 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 at approximately 11.00 a.m. (Central European time) on the relevant Floating Interest Determination Date in an amount that is representative for a single transaction in the relevant market at the relevant time.

If two or more of the Reference Banks provide the Calculation Agent with offered quotations, the Floating Rate of Interest for the Floating Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of the offered quotations for the Reference Rate plus the Margin, all as determined by the Calculation Agent.

If on any Floating Interest Determination Date one only or none of the Reference Banks provides the Calculation Agent with an offered quotation as provided in the preceding paragraphs, the Floating Rate of Interest for the relevant Floating Interest Period shall be the rate *per annum* which the Calculation Agent determines as being the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates, as communicated to (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, at approximately 11.00 a.m. (Central European time) on the relevant Floating Interest Determination Date, deposits in Euro for a period of three (3) months by leading banks in the Euro-zone inter-bank market plus the Margin or, if fewer than two of the Reference Banks provide the Calculation Agent with offered rates, the offered rate for deposits in Euro for a period of three (3) months, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in Euro for a period of three (3) months, at which, at approximately 11.00 a.m. (Central European time) on the relevant Floating Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for the purpose) informs the Calculation Agent it is quoting to leading banks in the Euro-zone interbank market, as appropriate, plus the Margin, provided that, if the Floating Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Floating Rate of Interest shall be determined as at the last preceding Floating Interest Determination Date.

- (d) Determination of Floating Rate of Interest and calculation of Floating Interest Amounts

The Calculation Agent will at or as soon as practicable after each time at which the Floating Rate of Interest is to be determined, determine the Floating Rate of Interest for the relevant Floating Interest Period.

The Calculation Agent will calculate the amount of interest payable on each Note for the relevant Floating Interest Period by applying the Floating Rate of Interest to the Principal Amount and multiplying the resultant figure by the Floating Rate Day Count Fraction, and rounding the resultant figure to the nearest Euro cent, with half of a Euro cent being rounded upwards (the “**Floating Interest Amount**”).

If the Floating Rate of Interest is negative, it shall be deemed to be equal to zero.

(e) **Notification of Floating Rate of Interest and Floating Interest Amounts**

The Calculation Agent will cause the Reference Rate, the Floating Rate of Interest, each Floating Interest Amount for each Floating Interest Period and the relevant Floating Interest Payment Date to be notified to the Issuer and, if required, to Euronext Paris and any other stock exchange on which the Notes are for the time being listed (by no later than the first day of each Floating Interest Period) and notice thereof to be given to the Noteholders in accordance with Condition 12 (*Notices*) as soon as possible after their determination but in no event later than the fourth Business Day thereafter. Where any Floating Interest Payment Date is subject to adjustment pursuant to Condition 5.2(a), each Floating Interest Amount and Floating Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Floating Interest Period. Any such amendment will be promptly notified to the Issuer and to Euronext Paris and any other stock exchange on which the Notes are for the time being listed and to the Noteholders in accordance with Condition 12 (*Notices*).

- (f) Subject to Condition 5.2 (*Interest Deferral*), the Notes will cease to bear interest from (and including) the Redemption Date if and when such Redemption Date falls in a Floating Interest Period, unless payment of the Principal Amount is improperly withheld or refused on such date or unless default is otherwise made in respect of the payment. In such event and subject as provided herein, the Notes will continue to bear interest at the Floating Rate of Interest on their remaining unpaid amount until the day on which all sums due in respect of the Notes up to (but excluding) that day are received by or on behalf of the relevant Noteholder.

5.2 **Interest Deferral**

(a) **Optional Interest Deferral**

Subject to Condition 5.2(b) (*Mandatory Interest Deferral*), the Issuer may, at its option, elect to defer in full or in part the payment of interest otherwise due and payable on any Optional Interest Payment Date in respect of the Interest Period ending on such date, whereupon the Issuer shall not have any obligation to pay any interest on an Optional Interest Payment Date and such non-payment shall not constitute a default or event of default by the Issuer under the Notes or for any other purpose and shall not give Noteholders any right to accelerate the Notes.

(b) **Mandatory Interest Deferral**

On any Mandatory Deferral Interest Payment Date, the Issuer will be obliged to defer payment of all (but not some only) the interest accrued (and, if relevant, any Arrears of Interest) in respect of the Notes during the relevant Interest Period and any such non-payment shall not constitute a default or event of default by the Issuer for any purpose and shall not give Noteholders any right to accelerate the Notes.

(c) **Compulsory Interest Payment Dates**

The Issuer shall, on each Compulsory Interest Payment Date, pay interest in respect of the Notes accrued to that date in respect of the interest period ending on such Compulsory Interest Payment Date, together with all Arrears of Interest at such time.

(d) **Arrears of Interest**

Any interest not paid on a Mandatory Deferral Interest Payment Date, or an Optional Interest Payment Date shall constitute “**Arrears of Interest**”. Arrears of Interest on all outstanding Notes shall become due in full following the occurrence of certain circumstances.

All Arrears of Interest may, subject to the fulfilment of the Conditions to Settlement, at the option of the Issuer, be paid in whole or in part at any time but all Arrears of Interest in respect

of all Notes for the time being outstanding shall become due in full on whichever is the earliest of:

- (i) the next Interest Payment Date which is a Compulsory Interest Payment Date;
- (ii) the date of any redemption of the Notes in accordance with the provisions relating to redemption of the Notes; or
- (iii) the date upon which a judgment is made for the voluntary or judicial liquidation (*liquidation amiable* or *liquidation judiciaire*) of the Issuer or the Issuer is liquidated for any other reason or the sale of the whole of the business (*cession totale de l'entreprise*) subsequent to the opening of a judicial recovery procedure of the Issuer.

Noteholders will not receive any additional interest or compensation for the mandatory deferral of payment. In particular, the resulting Arrears of Interest will not bear interest.

“**Conditions to Settlement**” are satisfied on any day with respect to any payment of Arrears of Interest, if any, if such day would not be a Mandatory Deferral Interest Payment Date if such day was an Interest Payment Date.

If amounts in respect of Arrears of Interest become partially payable:

- (i) Arrears of Interest accrued for any period shall not be payable until full payment has been made of all Arrears of Interest that have accrued during any earlier period; and
- (ii) the amount of Arrears of Interest payable in respect of any Note in respect of any period, shall be *pro rata* to the total amount of all unpaid Arrears of Interest accrued in respect of that period to the date of payment.

(e) **Notice of Deferral and Payment of Arrears of Interest**

The Issuer shall give not less than five (5) nor more than thirty (30) Business Days’ prior notice to the Noteholders in accordance with Condition 12 (*Notices*) and to the Principal Paying Agent:

- (i) of any Mandatory Deferral Interest Payment Date and specifying that interest will not be paid due to a Regulatory Deficiency continuing on the next Interest Payment Date, provided that if the Regulatory Deficiency occurs less than five (5) Business Days before such Interest Payment Date, the Issuer shall give notice of the interest deferral as soon as practicable under the circumstances before such Mandatory Deferral Interest Payment Date; and
- (ii) of any date upon which amounts in respect of Arrears of Interest shall become due and payable.

So long as the Notes are listed or admitted to trading on Euronext Growth and/or any other multilateral trading facility or stock exchange and the rules of any such multilateral trading facility or stock exchange so require, notice of any such deferral or suspension shall also be given as soon as reasonably practicable to such multilateral trading facility or stock exchange.

This notice will not be a condition to the deferral of interest. Any delay or failure by the Issuer to give such notice shall not affect the deferral of interest described above nor constitute a default or event of default by the Issuer for any purpose.

5.3 Notifications, etc. to be final

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 5 (*Interest*), by the Principal Paying Agent, will (in the absence of wilful default, bad faith or manifest error) be final and binding on the Issuer, the Principal Paying Agent, the Paying Agent and all Noteholders and (in the absence of wilful default, bad faith or manifest error) no liability to the Issuer or the Noteholders shall

attach to the Principal Paying Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions under this Condition 5 (*Interest*).

5.4 Benchmark Discontinuation

If a Benchmark Event occurs in relation to the Reference Rate at any time when any Floating Rate of Interest (or any component part thereof) remains to be determined by reference to the Reference Rate, then the following provisions shall apply and prevail over the other fallbacks specified in paragraph (c) of Condition 5.1 (*Floating Rate Interest Period*).

(a) Independent Adviser

If the Issuer (in consultation with the Calculation Agent) determines at any time prior to, on or following any Floating Interest Determination Date, that a Benchmark Event has occurred in relation to the Reference Rate, the Issuer will as soon as reasonably practicable (and in any event prior to the next relevant Floating Interest Determination Date) appoint (at its own cost) an Independent Adviser, which, acting in good faith and in a commercially reasonable manner and as an independent expert in the performance of its duties, will advise the Issuer as to whether a substitute or successor rate is available for purposes of determining the Reference Rate on each Floating Interest Determination Date falling on such date or thereafter that is substantially comparable to the Reference Rate.

(b) Successor Rate or Alternative Rate

If the Independent Adviser determines in good faith and in a commercially reasonable manner (and after consultation with the Issuer) that:

- there is a Successor Rate, the Independent Adviser will advise the Issuer accordingly and such Successor Rate and the applicable Adjustment Spread (if any) shall subsequently be used in place of the Reference Rate (or component part thereof) to determine the relevant Floating Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes but not earlier than the actual discontinuation of the Reference Rate (subject to the operation of this Condition 5.4 (*Benchmark Discontinuation*)); or
- there is no Successor Rate but that there is an Alternative Rate, the Independent Adviser will advise the Issuer accordingly and then such Alternative Rate and the applicable Adjustment Spread (if any) shall subsequently be used in place of the Reference Rate (or component part thereof) to determine the relevant Floating Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes but not earlier than the actual discontinuation of the Reference Rate (subject to the operation of this Condition 5.4 (*Benchmark Discontinuation*)).

(c) Benchmark Adjustments

Following the determination of the Successor Rate or the Alternative Rate (as applicable), (i) the Independent Adviser will also determine changes (if any) to the business day convention, the definition of business day, the floating rate determination date, the day count fraction, and any method for obtaining such Successor Rate or such Alternative Rate (as applicable), including any adjustment factor needed to make such Successor Rate or such Alternative Rate (as applicable) comparable to the Reference Rate (including any Adjustment Spread (if any)), in each case in a manner that is consistent with industry-accepted practices for such Successor Rate or such Alternative Rate (as applicable); (ii) references to the Reference Rate in these Conditions will be deemed to be references to the Successor Rate or the Alternative Rate (as applicable), including any alternative method for determining such rate as described in (i) above; and (iii) the Issuer will give notice as soon as reasonably practicable to the Noteholders (in accordance with Condition 12 (*Notices*)), the Calculation Agent and the Paying Agent(s) specifying the Successor Rate or the Alternative Rate (as applicable), as well as the details described in (i) above.

The determination of the Successor Rate or the Alternative Rate (as applicable) and the other matters referred to above by the Independent Adviser will (in the absence of manifest error or fraud) be final and binding on the Fiscal Agent, the Calculation Agent, the Paying Agent(s) and the Noteholders, unless the Independent Adviser or the Issuer, acting in good faith, in a commercially reasonable manner, considers at a later date that the Successor Rate or the Alternative Rate (as applicable) is no longer substantially comparable to the Reference Rate (or any component thereof) or does not constitute an industry-accepted Successor Rate or Alternative Rate (as applicable), in which case the Issuer shall use reasonable endeavours to re-appoint an Independent Adviser (which may or may not be the same entity as the original Independent Adviser) for the purpose of confirming, or determining a substitute to, the Successor Rate or the Alternative Rate (as applicable) in an identical manner as described in this Condition 5.4 (*Benchmark Discontinuation*).

For the avoidance of doubt, the Fiscal Agent shall, at the direction and expense of the Issuer, effect such consequential amendments to the Agency Agreement and these Conditions as may be required in order to give effect to this Condition 5.4 (*Benchmark Discontinuation*). No Noteholder consent shall be required in connection with effecting the Successor Rate or Alternative Rate (as applicable) or such other changes pursuant to this Condition 5.4 (*Benchmark Discontinuation*), including for the execution of any documents or other steps by the Paying Agent(s) (if required).

(d) Benchmark disqualification

Notwithstanding any other provision of this Condition 5.4 (*Benchmark Discontinuation*), no Successor Rate or no Alternative Rate (as applicable) will be adopted, nor will the applicable Adjustment Spread (if any) be applied, nor will any other related adjustments and/or amendments to the Terms and Conditions of the Notes be made, if and to the extent that (as confirmed by an authorised officer of the Issuer), the same would cause the Notes to cease qualifying as at least Tier 2 Own Funds (or, if different, whatever terminology employed by the Applicable Supervisory Regulations) of the Issuer or as other equivalent of at least Tier 2 Capital of the Issuer under the Applicable Supervisory Regulations.

(e) Inability to appoint an Independent Adviser or to determine a Successor Rate or an Alternative Rate

Notwithstanding any other provision of this Condition 5.4 (*Benchmark Discontinuation*), if the Issuer is unable to appoint an Independent Adviser or if the Independent Adviser is unable to or otherwise does not advise the Issuer a Successor Rate or an Alternative Rate (as applicable) for any Floating Interest Determination Date, no Successor Rate or Alternative Rate (as applicable) or any other successor, replacement or alternative benchmark or screen rate will be adopted and the Floating Rate of Interest for the relevant Floating Interest Period will be equal to the last Floating Rate of Interest available on the Screen Page as determined by the Calculation Agent.

In such circumstances, the Issuer will be entitled (but not obliged), at any time thereafter, to elect to re-apply the provisions of this Condition 5.4 (*Benchmark Discontinuation*), *mutatis mutandis*, on one or more occasions until a Successor Rate or an Alternative Rate (as applicable) has been determined and notified in accordance with this Condition 5.4 (*Benchmark Discontinuation*).

(f) Absence of liability

The Independent Adviser shall have no liability whatsoever to the Fiscal Agent, the Paying Agents, the Calculation Agent or any other party responsible for determining the Successor Rate or the Alternative Rate (as applicable), or the Noteholders for any determination made by it pursuant to this Condition 5.4 (*Benchmark Discontinuation*).

6. Redemption and Purchase

The Notes may not be redeemed or purchased other than in accordance with this Condition and any redemption or purchase is subject to the fulfilment of the Conditions to Redemption and Purchase (as set out in Condition 6.9 (*Conditions to Redemption and Purchase*) below).

6.1 Redemption at Maturity

Subject to Condition 6.9 (*Conditions to Redemption and Purchase*) and to the Prior Approval of the Relevant Supervisory Authority, unless previously redeemed or purchased and cancelled as provided for below, the Notes will be redeemed at their Principal Amount, together with accrued interest thereon, if any, and any Arrears of Interest, on the Scheduled Maturity Date.

6.2 Optional Redemption from the First Call Date

The Issuer may, subject to the Prior Approval of the Relevant Supervisory Authority and Condition 6.9 (*Conditions to Redemption and Purchase*), subject to having given not more than forty five (45) nor less than thirty (30) calendar days' prior notice to the Fiscal Agent and the Noteholders in accordance with Condition 12 (Notices) (which notice shall be irrevocable), redeem the Notes in whole, but not in part, at their Base Call Price, at any time from the First Call Date to and including the Switch Date and on any Interest Payment Date falling thereafter.

6.3 Redemption for Taxation Reasons

- (a) If, by reason of a change in any French law or regulation, or any change in the official application or interpretation thereof, becoming effective after the Issue Date, the Issuer would, on the occasion of the next payment of principal or interest due in respect of the Notes, not be able to make such payment without having to pay Additional Amounts as specified in Condition 8 (*Taxation*) (a “**Gross-Up Event**”), the Issuer may, subject to the Prior Approval of the Relevant Supervisory Authority and Condition 6.9 (*Conditions to Redemption and Purchase*), subject to having given not more than forty-five (45) nor less than thirty (30) calendar days' prior notice to the Principal Paying Agent and the Noteholders in accordance with Condition 12 (*Notices*) (which notice shall be irrevocable), redeem the Notes in whole, but not in part, at their Base Call Price, provided that the due date for redemption shall be no earlier than the latest practicable Interest Payment Date on which the Issuer could make payment of principal or interest without withholding or deduction for French taxes.
- (b) If the Issuer would on the next payment of principal or interest in respect of the Notes be obliged to pay Additional Amounts as specified under Condition 8 (*Taxation*) and the Issuer would be prevented by French law from making payment to the Noteholders of the full amount then due and payable, notwithstanding the undertaking to pay Additional Amounts contained in Condition 8 (*Taxation*) (a “**Withholding Tax Event**”), then the Issuer may, subject to the Prior Approval of the Relevant Supervisory Authority and Condition 6.9 (*Conditions to Redemption and Purchase*) and upon giving not less than seven (7) calendar days' prior notice to the Principal Paying Agent and the Noteholders in accordance with Condition 12 (*Notices*) (which notice shall be irrevocable), redeem the Notes in whole, but not in part, at their Base Call Price, on the latest practicable date on which the Issuer could make payment of the full amount of principal or interest payable in respect of the Notes or, if such date is past, as soon as practicable thereafter.
- (c) If an opinion of a recognised law firm of international standing has been delivered to the Issuer and the Principal Paying Agent, stating that by reason of a change in French law or regulation, or any change in the official application or interpretation of such law, becoming effective after the Issue Date, the tax regime of any payments under the Notes is modified and such modification results in the part of the interest payable by the Issuer in respect of the Notes that is tax-deductible being reduced (a “**Tax Deductibility Event**”), so long as this cannot be avoided by the Issuer taking reasonable measures available to it at the time, the Issuer may, subject to the Prior Approval of the Relevant Supervisory Authority and Condition 6.9 (*Conditions to Redemption and Purchase*), redeem the Notes in whole, but not in part, at their

Base Call Price, on the latest practicable date on which the Issuer could make such payment with the part of the interest payable under the Notes being tax-deductible not being reduced or, if such date is past, as soon as practicable thereafter. The Issuer shall give the Principal Paying Agent and the Noteholders in accordance with Condition 12 (*Notices*) (which notice shall be irrevocable) notice of any such redemption not less than thirty (30) nor more than forty-five (45) calendar days before the date fixed for redemption.

6.4 Optional Redemption for Regulatory Reasons

If, at any time, on or after the Issue Date, the Issuer determines that a Regulatory Event has occurred with respect to the Notes the Issuer may, subject to the Prior Approval of the Relevant Supervisory Authority and Condition 6.9 (*Conditions to Redemption and Purchase*), redeem the Notes in whole, but not in part, subject to having given not more than forty-five (45) nor less than thirty (30) calendar days' prior notice to the Principal Paying Agent and the Noteholders in accordance with Condition 12 (*Notices*) (which notice shall be irrevocable), at their Base Call Price.

6.5 Optional Redemption for Rating Reasons

If, at any time, the Issuer determines that a Rating Methodology Event has occurred with respect to the Notes on or after the Issue Date, the Issuer may, subject to the Prior Approval of the Relevant Supervisory Authority and Condition 6.9 (*Conditions to Redemption and Purchase*), redeem the Notes in whole, but not in part, subject to having given not more than forty-five (45) nor less than thirty (30) calendar days' prior notice to the Principal Paying Agent and the Noteholders in accordance with Condition 12 (*Notices*) (which notice shall be irrevocable), at any time at their Base Call Price.

6.6 Clean-up Redemption

The Issuer may, at any time, elect, subject to the Prior Approval of the Relevant Supervisory Authority and Condition 6.9 (*Conditions to Redemption and Purchase*), to redeem the Notes in whole, but not in part, at their Base Call Price if 75% (seventy-five per cent.) or more of the Notes issued on the Issue Date (and, if applicable, on the relevant issue date(s) of any further notes issued pursuant to Condition 13 (*Further Issues*)) has been purchased and cancelled at the time of such election and subject to having given not more than forty-five (45) nor less than thirty (30) days' prior notice to the Principal Paying Agent and the Noteholders in accordance with Condition 12 (*Notices*).

6.7 Purchases

The Issuer may, at any time, subject to the Prior Approval of the Relevant Supervisory Authority and Condition 6.9 (*Conditions to Redemption and Purchase*), purchase Notes in the open market or otherwise at any price in accordance with applicable laws and regulations. All Notes so purchased by the Issuer may (i) be held and resold in accordance with Articles L.213-0-1 and D.213-0-1 of the French *Code monétaire et financier* for the purpose of enhancing the liquidity of the Notes or (ii) be cancelled in accordance with Article L.228-74 of the French *Code de commerce*.

6.8 Cancellation

All Notes which are redeemed or purchased for cancellation by the Issuer pursuant to this Condition 6 (*Redemption and Purchase*) will forthwith be cancelled (together with rights to interest any other amounts relating thereto) by transfer to an account in accordance with the rules and procedures of Euroclear France.

Any Notes so cancelled may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

6.9 Conditions to Redemption and Purchase

The Notes may not be redeemed, purchased or replaced pursuant to any of the redemption or purchase provisions referred to above if:

- (a) a Regulatory Deficiency has occurred and is continuing on the due date for redemption or such redemption or purchase would itself cause a Regulatory Deficiency, except if (a) the Relevant

Supervisory Authority has exceptionally waived the suspension of redemption or purchase (b) the Notes have been exchanged for or converted into another basic own funds item of at least the same quality and (c) the Minimum Capital Requirement of the Issuer and the CARAC group is complied with after the redemption or purchase (the “**Conditions to Redemption and Purchase**”), or

- (b) an Insolvent Insurance Affiliate Winding-up has occurred and is continuing on the date due for redemption or purchase (to the extent required under the Applicable Supervisory Regulations in order for the Notes to be treated under the Applicable Supervisory Regulations as at least Tier 2 Capital of the Issuer and/or the CARAC group) except to the extent permitted under the Applicable Supervisory Regulations and with the Prior Approval of the Relevant Supervisory Authority.

Notwithstanding any other provision herein, the Notes may only be redeemed, purchased or replaced to the extent permitted under, and in accordance with, the Applicable Supervisory Regulations.

Should a Regulatory Deficiency or an Insolvent Insurance Affiliate Winding-up occur after a notice for redemption has been given to the Noteholders, such redemption notice will become automatically void and notice thereof will be given promptly by the Issuer.

If practicable under the circumstances, the Issuer will give notice to the Noteholders and to the Principal Paying Agent of any deferral of the redemption of the Notes. This notice will not be a condition to the deferral of redemption. Any delay or failure by the Issuer to give such notice shall not affect the deferral described above.

In addition and if required pursuant to the Applicable Supervisory Regulations:

- (i) the Notes may not be purchased or redeemed upon the occurrence of a Rating Methodology Event or if the conditions for a Clean-up Redemption are met, prior to the fifth (5th) anniversary of the Issue Date or, if applicable, the issue date of the last tranche of any Further Notes (whichever is the later), unless the redemption or purchase has been funded out of the proceeds of a new issuance of own funds capital of the same or higher quality as the Notes;
- (ii) the Notes may not be redeemed or purchased upon the occurrence of a Regulatory Event prior to the fifth (5th) anniversary of the Issue Date or, if applicable, the issue date of the last tranche of any Further Notes (whichever is the later), unless (i) (x) the Relevant Supervisory Authority has confirmed to the Issuer that it is satisfied that the Solvency Capital Requirement of the Issuer and the CARAC group is exceeded by an appropriate margin (taking into account the position of the Issuer and the CARAC group including the Issuer’s and the CARAC group’s medium-term capital plan) and (y) the Issuer demonstrates to the satisfaction of the Relevant Supervisory Authority that the Regulatory Event was not reasonably foreseeable at the Issue Date or, if applicable and to the extent so required by applicable laws and regulations, the issue date of the last tranche of any Further Notes (whichever occurs later) and (z) the Relevant Supervisory Authority considers such change in the regulatory classification of the Notes to be sufficiently certain and/or (ii) the redemption or purchase has been funded out of the proceeds of a new issuance of own funds capital of the same or higher quality as the Notes; and
- (iii) the Notes may not be redeemed or purchased upon the occurrence of a Tax Deductibility Event, or, if a Redemption Alignment Event has occurred, a Withholding Tax Event or a Gross-Up Event prior to the fifth (5th) anniversary of the Issue Date or, if applicable, the issue date of the last tranche of any Further Notes (whichever is the later), unless (i) (x) the Relevant Supervisory Authority has confirmed to the Issuer that it is satisfied that the Solvency Capital Requirement of the Issuer and the CARAC group is exceeded by an appropriate margin (taking into account the position of the Issuer including the Issuer’s and the CARAC group’s medium-term capital plan) and (y) Issuer demonstrates to the satisfaction of the Relevant Supervisory Authority that

the Tax Deductibility Event, the Withholding Tax Event or, as the case may be, the Gross-Up Event is material and was not reasonably foreseeable at the Issue Date or, if applicable and to the extent so required by applicable laws and regulations, the issue date of the last tranche of any Further Notes (whichever occurs later) and/or (ii) the redemption or purchase has been funded out of the proceeds of a new issuance of own funds capital of the same or higher quality as the Notes.

Except in circumstances where a Redemption Alignment Event has occurred, the Notes may not be redeemed upon the occurrence of a Withholding Tax Event or a Gross-Up Event prior to the tenth (10th) anniversary of the Issue Date or, if applicable and to the extent so required by applicable laws and regulations, the issue date of the last tranche of any Further Notes (whichever occurs later), unless (but only if, and to the extent so required or otherwise as provided by the Applicable Supervisory Regulations at the time of such redemption or purchase) the redemption or purchase has been funded out of the proceeds of a new issuance of own funds capital of at least the same quality as the Notes.

7. Payments

7.1 Method of Payment

Payments of principal, interest (including, for the avoidance of doubt, Arrears of Interest) and other amounts in respect of the Notes will be made in Euro, by credit or transfer to a Euro-denominated account (or any other account to which Euro may be credited or transferred) specified by the payee in a country within T2 System. Such payments shall be made for the benefit of the Noteholders to the Account Holders and all payments validly made to such Account Holders in favour of Noteholders will be an effective discharge of the Issuer and the Principal Paying Agent, as the case may be, in respect of such payment.

None of the Issuer, the Principal Paying Agent or the Paying Agents shall be liable to any Noteholder 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 effect in connection with such payment being made in Euro.

Payments in respect of principal and interest (including, for the avoidance of doubt, Arrears of Interest) in respect of the Notes will, in all cases, be made subject to any fiscal or other laws and regulations or orders of courts of competent jurisdiction applicable in respect of such payments to the Issuer, the relevant Paying Agent, the relevant Account Holder or, as the case may be, the person shown in the records of Euroclear France, Euroclear or Clearstream as the holder of a particular nominal amount of Notes, but without prejudice to the provisions of Condition 8 (*Taxation*).

7.2 Payments on Business Days

If the due date for payment of any amount of principal, interest or other amounts in respect of any Note is not a Business Day, then the holder of such Note shall not be entitled to payment of the amount due until the next following Business Day and will not be entitled to any interest or other sums in respect of such postponed payment.

7.3 Principal Paying Agent and Paying Agent and Calculation Agent

The name of the initial Principal Paying Agent and its specified office are set out below:

BNP PARIBAS
Corporate Trust Services
Grands Moulins de Pantin
9, rue du Débarcadère
93500 Pantin
France

The Issuer reserves the right at any time to vary or terminate the appointment of the Principal Paying Agent or a Paying Agent and/or appoint additional or other Paying Agents or approve any change in

the office through which any such Agent acts, provided that there will at all times be a Principal Paying Agent having a specified office in a European city. Notice of any such change or any change of specified office shall promptly be given as soon as reasonably practicable to the Noteholders in accordance with Condition 12 (*Notices*) and, so long as the Notes are listed or admitted to trading on Euronext Growth and/or on any other multilateral trading facility or stock exchange and if the rules applicable to any such multilateral trading facility or stock exchange so require, to such multilateral trading facility or stock exchange.

Any termination or appointment shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not more than forty-five (45) nor less than thirty (30) calendar days' notice thereof shall have been given to the Noteholders by the Issuer in accordance with Condition 12 (*Notices*).

8. Taxation

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

If French law should require that payments of principal or interest made by the Issuer in respect of any Note be subject to withholding or deduction in respect of any present or future taxes, duties, assessments or governmental charges of whatever nature, and provided a Tax Alignment Event has occurred and is continuing, 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 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, as the case may be:

- (a) to, or to a third party on behalf of, a Noteholder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note, by reason of his having some connection with France other than the mere holding of the Note; or
- (b) where such Additional Amount is due prior to the Relevant Anniversary.

9. Prescription

Claims against the Issuer for the payment of principal and interest (including, for the avoidance of doubt, any Arrears of Interest) in respect of the Notes shall become prescribed ten (10) years (in the case of principal) and five (5) years (in the case of interest) from the appropriate relevant due date for payment thereof.

10. Enforcement Events

There will be no events of default in respect of the Notes. However, each Note shall become immediately due and payable, at its Principal Amount, together with accrued interest thereon, if any, to the date of payment and any Arrears of Interest, in the event that a judgment is rendered by any competent court declaring the judicial liquidation (*liquidation judiciaire*) of the Issuer, or in the event of a transfer of the whole of the business of the Issuer (*cession totale de l'entreprise*) subsequent to the opening of a judicial recovery procedure (*redressement judiciaire*), or if the Issuer is liquidated for any other reason.

11. Representation of the Noteholders

The Noteholders will be grouped automatically for the defence of their respective common interests in a *masse* (hereinafter referred to as the “*Masse*”) which will be governed by the provisions of Articles L.228-46 *et seq.* of the French *Code de commerce* with the exception of Articles L.228-48, L. 228-55,

L.228-59, L.228-65 II. (but not the last sentence of such paragraph II.), R.228-61, R.228-63, R.228-67, R.228-69, R.228-79 and R.236-11 of the French Code de commerce and as supplemented by this Condition 11.

11.1 Legal Personality

The *Masse* will be a separate legal entity, by virtue of Article L.228-46 of the French *Code de commerce*, acting in part through a representative (the “**Representative**”) and in part through collective decisions of Noteholders (the “**Collective Decisions**”).

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

11.2 Representative

The Representative shall be:

DIIS GROUP
12 rue Vivienne
75002 Paris
France
rmo@diisgroup.com

The Representative will be entitled to a remuneration of EUR500 (VAT excluded) per year payable by the Issuer in accordance with the terms agreed upon between the Issuer and the Representative, with the first payment at the Issue Date.

The Representative will exercise its duty until its dissolution, resignation or termination of its duty by a general assembly of Noteholders or until it becomes unable to act. Its appointment shall automatically cease on the total redemption of the Notes.

All interested parties will at all times have the right to obtain the name and the address of the Representative at the head office of the Issuer and at the offices of any of the Paying Agents.

11.3 Powers of the Representative

The Representative shall, in the absence of any Collective Decision to the contrary, have the power to take all acts of management necessary in order to defend the common interests of the Noteholders, with the capacity to delegate its powers.

All legal proceedings against the Noteholders or initiated by them, in order to be valid, must be brought against the Representative or by it, and any legal proceedings which shall not be brought in accordance with this provision shall not be legally valid.

11.4 Collective Decisions

Collective Decisions are adopted either in a general meeting (the “**General Meeting**”) or by consent following a written consultation (the “**Written Decision**”).

In accordance with Article R.228-71 of the French Code de commerce, the rights of each Noteholder to participate in Collective Decisions will be evidenced by the entries in the books of the relevant Account Holder or the Issuer of the name of such Noteholder as of 0:00 Paris time, on the second (2nd) business day in Paris preceding the date set for the Collective Decision.

Collective Decisions must be published in accordance with Condition 11.9 not more than thirty (30) calendar days from the date of such decision.

The Issuer shall hold a register of the Collective Decisions and shall make it available, upon request, to any subsequent holder of the Notes.

11.5 General Meetings

General Meetings of Noteholders may be held at any time, on convocation either by the Issuer or by the Representative. One or more Noteholders, holding together at least one-thirtieth (1/30) of the Principal Amount of the Notes outstanding may address to the Issuer and the Representative a demand for convocation of the General Meeting. If such General Meeting has not been convened within two (2) months after such demand, such Noteholders may commission one of themselves to petition the competent court in Paris to appoint an agent (*mandataire*) who will call the General Meeting.

General Meetings may deliberate validly on first convocation only if Noteholders present or represented hold at least one fifth (1/5) of the Principal Amount of the Notes then outstanding. On second convocation, no quorum shall be required. Decisions of the General Meetings shall be taken by a two-thirds (2/3) majority of votes held by the Noteholders attending such General Meeting or represented thereat.

Notice of the date, hour, place, agenda and quorum requirements of any General Meeting will be published as provided under Condition 11.9 not less than fifteen (15) calendar days prior to the date of the General Meeting on first convocation and not less than five (5) calendar days prior to the date of the General Meeting on second convocation.

Each Noteholder has the right to participate in a General Meeting in person, by proxy by correspondence or by visioconference or by any other means of telecommunication allowing the participation of the Noteholders. Each Note carries the right to one vote.

Each Noteholder or representative thereof will have the right to consult or make a copy of the text of the resolutions which will be proposed and of the reports, if any, 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 and at any other place specified in the notice of the General Meeting, during the fifteen (15) calendar day period preceding the holding of the General Meeting on first convocation, or during the five (5) calendar day period preceding the holding of the General Meeting on second convocation.

11.6 Written Decision and Electronic Consent

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

Such Written Decision shall be signed by or on behalf of Noteholders holding not less than seventy five (75) per cent. in nominal amount of the Notes outstanding without having to comply with formalities and time limits referred to in Condition 11.5. Any such decision shall, for all purposes, have the same effect as a resolution passed at a General Meeting of such Noteholders. Such Written Decision may be contained in one document or in several documents in like form each signed by or on behalf of one or more of such Noteholders. Approval of a Written Decision may also be given by way of electronic communication allowing the identification of Noteholders (“**Electronic Consent**”).

Notice seeking the approval of a Written Decision (including by way of Electronic Consent), which shall include the text of the proposed resolutions together with any report thereon, will be published as provided under Condition 11.9 (Notice) not less than fifteen (15) days prior to the date fixed for the passing of such Written Decision (the “**Written Decision Date**”). Notices seeking the approval of a Written Decision 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 Decision. Noteholders expressing their approval or rejection before the Written Decision Date will undertake not to dispose of their Notes until after the Written Decision Date.

References to a Written Decision include, unless the context otherwise requires, a resolution approved by Electronic Consent.

11.7 Exclusion of certain provisions of the French *Code de commerce* relating to the Noteholders consultation

The provisions of Article L.228-65 I. 1° and 4° of the French *Code de commerce* (respectively providing for a prior approval of the General Meeting of the Noteholders of any change in corporate purpose or form of the Issuer or of an issue of bonds benefiting from a security (*sûreté réelle*)) and the related provisions of the French *Code de commerce* shall not apply to the Notes.

The provisions of Article L.228-65 I. 3° of the French *Code de commerce* (providing for a prior approval of the Noteholders in relation to any proposal to merge or demerge the Issuer in the cases referred to in Articles L.236-14 and L.236-23 of the French *Code de commerce*) shall not apply to the Notes only to the extent that such proposal relates to a merger or demerger with or into another entity of the CARAC group.

11.8 Expenses

The Issuer will pay all reasonable expenses incurred in the operation of the Masse, including expenses relating to the calling and holding of Collective Decisions and the expenses which arise by virtue of the remuneration of the Representative, and more generally all administrative expenses resolved upon by Collective Decisions, it being expressly stipulated that no expenses may be imputed against interest payable under the Notes.

For the avoidance of doubt, in this Condition 11 “**outstanding**” shall not include those Notes purchased by the Issuer pursuant to Article L.213-0-1 of the French *Code monétaire et financier* that are held by it and not cancelled.

11.9 Notices to Noteholders

Any notice to be given to Noteholders in accordance with this Condition 11 shall be given in accordance with Condition 12 (*Notices*).

12. Notices

Notices required to be given to the Noteholders pursuant to these Conditions shall be validly 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 may also be published at the option of the Issuer on its website (<https://www.carac.fr/investisseurs>).

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.

13. Further Issues

Subject to Prior Approval of the Relevant Supervisory Authority, the Issuer may from time to time without the consent of the Noteholders, issue further notes (the “**Further Notes**”) to be assimilated and form a single series (*assimilables*) with the Notes as regards their financial service, provided that such Further Notes and the Notes shall carry rights identical in all respects (or in all respects except for the first payment of interest thereon) and that the terms of such Further Notes shall provide for such assimilation. In the event of such assimilation, the Noteholders and the holders of any Further Notes will for the defence of their common interests be grouped in a single Masse having legal personality.

14. Waiver of Set-Off

No Noteholder may at any time exercise or claim any Waived Set-Off Rights against any right, claim, or liability the Issuer has or may have or acquire against such Noteholder, directly or indirectly, howsoever arising (and, for the avoidance of doubt, including all such rights, claims and liabilities arising under or in relation to any and all agreements or other instruments of any sort or any non-contractual obligations, in each case whether or not relating to the Notes) and each such Noteholder

shall be deemed to have waived all Waived Set-Off Rights to the fullest extent permitted by applicable law in relation to all such actual and potential rights, claims and liabilities.

For the avoidance of doubt, nothing in this Condition 14 is intended to provide or shall be construed as acknowledging any right of deduction, set-off, netting, compensation, retention or counterclaim or that any such right is or would be available to any Noteholder but for this Condition 14.

For the purposes of this Condition 14, “**Waived Set-Off Rights**” means any and all rights of or claims of any Noteholder for deduction, set-off, netting, compensation, retention or counterclaim arising directly or indirectly under or in connection with any such Note.

15. Acknowledgement of Bail-In and Write-Down or Conversion Powers

This Condition 15 is applicable only if the Notes are in the scope of articles 35 *et seq.* of the IRRD, as finally implemented under French law

By the acquisition of Notes, each Noteholder (which, for the purposes of this Condition 15, includes any current or future holder of a beneficial interest in the Notes) acknowledges, accepts, consents and agrees:

- (a) to be bound by the effect of the exercise of the Bail-in Power (as defined below) by the Relevant Resolution Authority (as defined below), which may include and result in any of the following, or some combination thereof:
 - (i) the reduction of all, or a portion, of the Amounts Due (as defined below), including on a permanent basis;
 - (ii) the conversion in whole or in part, of the Amounts Due into shares, other securities or other obligations of the Issuer or another person (and the issue to the Noteholder of such shares, securities or obligations), including by means of an amendment, modification or variation of the terms of the Notes, in which case the Noteholder agrees to accept in lieu of its rights under the Notes any such shares, other securities or other obligations of the Issuer or another person;
 - (iii) the cancellation of the Notes;
 - (iv) the amendment or alteration of the term of the Notes or amendment of the amount of interest payable on the Notes, or the date on which the interest becomes payable, including by suspending payment for a temporary period;
 - (v) any other tools and powers provided for in the IRRD, as finally implemented under French law; and/or
 - (vi) any specific French tools and powers pertaining to the recovery and resolution of insurance and reinsurance undertakings.
- (b) that the terms of the Notes are subject to, and may be varied, if necessary, to give effect to, the exercise of the Bail-in Power by the Relevant Resolution Authority.

For these purposes, the “**Amounts Due**” are the prevailing outstanding amount of the Notes, and any accrued and unpaid interest on the Notes that has not been previously cancelled or otherwise is no longer due.

For these purposes, the “**Bail-in Power**” is any power existing from time to time under any laws, regulations, rules or requirements relating to the recovery and resolution of insurance and reinsurance undertakings in effect in France, including but not limited to any such laws, regulations, rules or requirements that are implemented, adopted or enacted within the context of the IRRD, and in each case the instructions, rules and standards created thereunder, pursuant to which the obligations of a Regulated Entity (as defined below) (or an affiliate of such Regulated Entity) can be reduced (in whole or in part), cancelled, suspended, transferred, varied or otherwise modified in any way, or securities of a Regulated

Entity (or an affiliate of such Regulated Entity) can be converted into shares, other securities, or other obligations of such Regulated Entity or any other person, whether in connection with the implementation of a bail-in power following placement in resolution or otherwise.

A reference to a “**Regulated Entity**” is to any entity which includes certain insurance and reinsurance undertakings that are established in the European Union, parent insurance and reinsurance undertakings that are established in the European Union, insurance holding companies and mixed financial holding companies that are established in the European Union, parent insurance holding companies and parent mixed financial holding companies established in a Member State, European Union parent insurance holding companies and European Union parent mixed financial holding companies, certain branches of insurance and reinsurance undertakings that are established outside the European Union according to the IRRD, any entity mentioned in the IRRD to come and as finally implemented under French law, or any entity designated as such under the laws and regulations in effect or which will be in effect in France applicable to the Issuer or other members of its group.

A reference to the “**Relevant Resolution Authority**” is to the *Autorité de contrôle prudentiel et de résolution* (the “**ACPR**”), any insurance resolution authority as determined by the IRRD or any other authority designated as such under the laws and regulations in effect or which will be in effect in France applicable to the Issuer or the CARAC group.

No repayment or payment of the Amounts Due will become due and payable or be paid after the exercise of the Bail-in Power by the Relevant Resolution Authority with respect to the Issuer unless, at the time such repayment or payment, respectively, is scheduled to become due, such repayment or payment would be permitted to be made by the Issuer under the laws and regulations in effect in France and the European Union applicable to the Issuer or other members of its CARAC group.

Upon the exercise of any Bail-in Power by the Relevant Resolution Authority with respect to the Notes, the Issuer will provide a written notice to the Noteholders in accordance with Condition 12 (*Notices*) as soon as practicable regarding such exercise of the Bail-in Power. The Issuer will also deliver a copy of such notice to the Principal Paying Agent for informational purposes, although the Principal Paying Agent shall not be required to send such notice to Noteholders. Any delay or failure by the Issuer to give notice shall not affect the validity and enforceability of the Bail-in Power nor the effects on the Notes described above.

Neither a cancellation of the Notes, a reduction, in whole or in part, of the Amounts Due, the conversion thereof into another security or obligation of the Issuer or another person, as a result of the exercise of the Bail-in Power by the Relevant Resolution Authority with respect to the Issuer, nor the exercise of any Bail-in Power by the Relevant Resolution Authority with respect to the Notes will constitute a default or an event of default or otherwise constitute non-performance of a contractual obligation, or entitle the Noteholder to any remedies (including equitable remedies) which are hereby expressly waived.

Upon the exercise of any Bail-in Power by the Relevant Resolution Authority, the Issuer and each Noteholder (including each holder of a beneficial interest in the Notes) hereby agree that (a) the Principal Paying Agent shall not be required to take any directions from Noteholders, and (b) the Agency Agreement shall impose no duties upon the Principal Paying Agent whatsoever, in each case with respect to the exercise of any Bail-in Power by the Relevant Resolution Authority.

Notwithstanding the foregoing, if, following the completion of the exercise of the Bail-In Power by the Relevant Resolution Authority, any Notes remain outstanding (for example, if the exercise of the Bail-In Power results in only a partial write-down of the principal of the Notes), then the Principal Paying Agent’s duties under the Agency Agreement shall continue with respect to the remaining outstanding Notes following such completion, subject to any necessary changes to the Agency Agreement.

If the Relevant Resolution Authority exercises the Bail-in Power with respect to less than the total Amounts Due, unless the Principal Paying Agent is otherwise instructed by the Issuer or the Relevant Resolution Authority, any cancellation, write-off or conversion made in respect of the Notes pursuant to the Bail-in Power will be made on a pro-rata basis.

The matters set forth in this Condition 15 shall be exhaustive on the foregoing matters to the exclusion of any other agreements, arrangements or understandings between the Issuer and any Noteholder.

No expenses necessary for the procedures under this Condition 15, including, but not limited to, those incurred by the Issuer and the Principal Paying Agent, shall be borne by any Noteholder.

16. Governing Law and Jurisdiction

The Notes are governed by the laws of France.

Any claim against the Issuer in connection with any Notes may be brought before any competent courts within the jurisdiction of the *Cour d'Appel* of Paris.

USE OF PROCEEDS

The net proceeds from the issue of the Notes will be used by the Issuer for general corporate purposes, including to take advantage of any opportunities for external growth and, more broadly, to support the development of CARAC.

DESCRIPTION OF THE ISSUER

1. GENERAL INFORMATION ABOUT THE ISSUER

1.1 Introduction and legal status

The CARAC (the “CARAC” or the “Issuer”) is a French mutual insurance undertaking (*mutuelle*) governed by Book II of the French *Code de la mutualité*. A *mutuelle* under Article L.110-1 of the French *Code de la mutualité*, is a private-law, non-profit mutual entity with legal personality (*personne morale de droit privé à but non lucratif*), whose primary purpose is to provide insurance and savings solutions in the collective interest of its members.

As a mutual insurance undertaking, the Issuer has no shareholders; its members are the ultimate beneficiaries of its performance. Governance and profits are aligned with members’ interests, with all earnings allocated to reserves.

The Issuer is registered in France under SIREN number 775 691 165 and its Legal Entity Identifier (*LEI*) is 969500VRQXGW3RZA3N78. The registered office of the Issuer is 159 Avenue Achille Peretti – CS 40491 – 92200 Neuilly-sur-Seine Cedex, France.

The Issuer is supervised by the *Autorité de contrôle prudentiel et de résolution* (“ACPR”), the French insurance and banking supervisory authority, which ensures the Issuer’s compliance with prudential, governance and conduct of business requirements (see paragraph 2.2 (*Prudential scope of consolidation*) below).

1.2 Corporate purpose

The corporate purpose of the Issuer, as set out in Article 3 of its articles of association (*statuts*), is to enter into commitments with its participating members and their beneficiaries, the execution of which depends on the duration of human life.

In line with this purpose, the Issuer heads a mutual group focused on long-term savings, retirement and wealth management advisory.

In 2024, the Issuer adopted the status of “*mutuelle à mission*”, in accordance with Article L.110-1-1 of the French *Code de la mutualité*, the related objectives are pursued within the framework of its insurance activities and governance arrangements described in paragraph 3.9 (*Mission-driven mutual status and social commitment*) below.

1.3 Identity and history

The Issuer is the parent undertaking of the CARAC group (the “CARAC group”), comprising the Issuer together with its consolidated subsidiaries. The CARAC group’s composition and activities are described in paragraphs 2.1 (*CARAC group perimeter and organisation*) and 3.3 (*Activities*) below. The CARAC group’s activities are centred on long-term savings and retirement, complemented by wealth management advisory tailored to members’ and client’s needs over time.

Founded in 1924 to serve the veterans and defence community, the Issuer opened its membership in 1988 to all savers seeking long-term savings, retirement and intergenerational transmission solutions. Since 2022, the CARAC group has accelerated its development under the “Ambition 2030” strategic plan, combining organic initiatives with targeted acquisitions. In 2023, the acquisition of Selencia (insurance company) expanded access to a more affluent client base and to third-party distribution channels (independent financial advisers and brokers), which subsequently led to the creation of the prudential group later that year. In 2024, the acquisition of a majority stake in Astream (asset and real estate fund manager) extended the CARAC group’s value chain into real assets and private equity in the hospitality and tourism sectors.

As at 31 December 2024, the CARAC group had approximately 400,000 members and clients, a workforce of around 800 employees, gross written premiums of €1.4 billion (€1.8 billion in 2025 based on estimated figures) compared to €0.5 billion in 2022, net inflows of approximately €435 million (approximately €800 million in 2025 based on estimated figures) and assets under management of approximately €20.1 billion (approximately €21 billion in 2025 based on estimated figures). On a prudential basis, the Solvency II ratios were 309% for the Issuer and 261% for the CARAC group. Eligible own funds amounted to approximately €2.1 billion.

The CARAC group's mutualist identity is reflected in its member base and product offering. The Issuer maintains a strong affinity with the veterans and defence community, which represents a significant portion of its membership. As at 31 December 2024, approximately 30% of members held the *Titre de Reconnaissance de la Nation* and the *carte des anciens combattants*, and the *Retraite Mutualiste du Combattant* represented approximately 24% of total technical provisions (about €3.4 billion).

The CARAC group serves a broad range of members and clients, from affinity-based and mass-market savers to mass-affluent/affluent and high-net-worth individuals, with specific attention to vulnerable persons, entrepreneurs, liberal professions and younger savers. Its product range includes euro-denominated funds, unit-linked supports (UCITS, real estate funds, private equity, ETFs and structured products), retirement solutions (including retirement saving plans and occupational schemes) and protection products. Distribution combines in France a salaried advisory network (250 members) and remote channels with an expanded network of independent financial advisors and brokers (exceeding 700 partners as at the date of the Information Memorandum compared to 400 in 2023).

The CARAC group's investment strategy is designed to be flexible and adaptive to market conditions, delivering solid returns while preserving latent gains and emphasising sustainable and responsible investments consistent with its mutualist values and mission-driven status. In asset management, the general account is managed internally by CARAC and Selencia teams, with limited delegation and with a focus on performance, prudence and long-term commitments. In 2024, the general account delivered a 3.76% portfolio yield, which was credited to members in line with the annual profit sharing policy and supported by a Provision for Profit-Sharing of 6.1% of mathematical reserves.

2. ISSUER AND THE GROUP

2.1 CARAC group perimeter and organisation

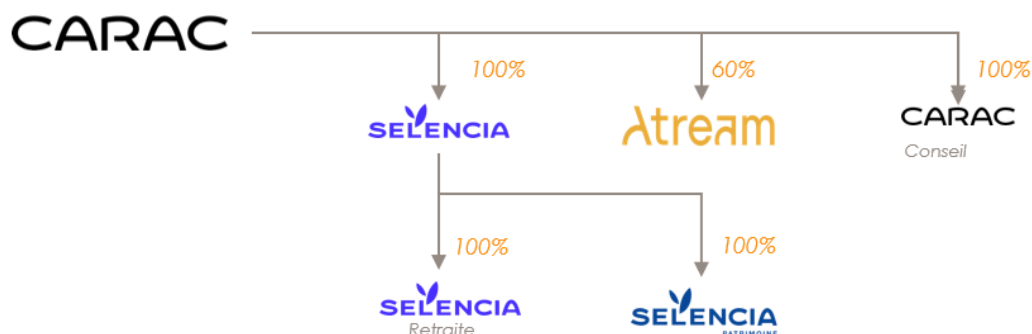
The CARAC group's structure results from organic development and selective acquisitions, and is composed of the following entities, covering the value chain from product design and underwriting to distribution and asset management:

- CARAC, a mutual savings, retirement and protection company; parent undertaking and head of the CARAC group, carrying the CARAC group's identity and mission and dedicated to long-term savings, retirement and wealth management. The mutual company is a B2C model which operates through a salaried salesforce with approximately 400,000 members and clients and has a consolidated technical provision of €14.4 billion as of 31 December 2024.
- Selencia (acquired in 2023), a life insurance company focused on the B2B market, with distribution notably through independent financial advisors and brokers (*Conseillers en gestion de patrimoine, CGP*). Selencia brings a patrimonial product range, a client base of approximately 103,000 policy holders and around €4.5 billion of technical provisions as of 31 December 2024, together with a dedicated brokerage platform (Selencia Patrimoine).
- Astream (majority stake acquired in 2024), an asset management company specialising in hospitality real assets and private equity, with approximately 4.0 billion of assets under management as of 31 December 2024. CARAC and Astream have maintained a long-standing business relationship since 2014. CARAC's entry into Astream's share capital formalises this longstanding relationship and reflects shared convictions and ethical values aimed at developing savings solutions that integrate financial performance within a sustainable approach.

- CARAC Conseil (formerly known as SICAVOLINE), the CARAC group’s proprietary brokerage platform, supporting a multi-insurer, open-architecture approach across B2B and B2B2C channels.

Unless otherwise stated in this Information Memorandum, references to the “CARAC group” in this section refer to the Issuer together with its consolidated subsidiaries.

Diagram of the CARAC group as at the date of this Information Memorandum:



In addition to the entities described above, CARAC Participations, has been created in 2025. Furthermore, the CARAC group is contemplating the acquisition of a majority stake in the Astoria group, a wealth management group in France, consistent with its “Ambition 2030” strategic plan. As at the date of this Information Memorandum, the contemplated transaction has not been completed.

2.2 Prudential scope of consolidation

The prudential group consists of the Issuer and the life insurance company Selencia and its subsidiary Selencia Retraite.

The prudential group’s solvency calculations are performed on the basis of the consolidated financial statements and in accordance with the default method defined in Article 230 of Directive 2009/138/EC of the European Parliament and of the Council (“**Solvency II**”).

The management company Astream, 59,99% owned by CARAC as at the date of this Information Memorandum, is not included in the prudential group’s consolidation scope within the meaning of Solvency II, as the nature of its business does not fall within the scope of insurance or reinsurance companies. It notably manages real estate unit-linked products available in the CARAC group’s life insurance and retirement contracts. Although outside the prudential scope, this entity is linked to the CARAC group’s financial management. It is subject to specific monitoring as part of the operational management of unit-linked products and risks.

2.3 Accounting (consolidation) perimeter

The Issuer prepares both non-consolidated and consolidated financial statements for the CARAC group, in accordance with French accounting standards as established by the French Accounting Standards Authority (*Autorité des Normes Comptables*). The non-consolidated financial statements reflect the individual accounts of the Issuer as a mutual insurance company, while the consolidated financial statements present an aggregated view of the financial position and performance of the Issuer and its consolidated subsidiaries or entities under its control.

3. BUSINESS OF THE ISSUER AND OF THE GROUP

3.1 Overview and market position

The CARAC group operates predominantly in France. Its market position reflects proximity-based, personalised advice and strong member relationships; intergenerational ties and support for families; a reinforced territorial presence; robust financial results; greater brand visibility, and an entrepreneurial

approach to disciplined development. In line with its strategy, the CARAC group is expanding through partnerships with institutions that share its mutualist values, thereby diversifying distribution channels and adapting its offering to welcome new members, including public-sector employees, defence communities and vulnerable persons. At the same time, the CARAC group serves an increasingly broad and diverse client base encompassing younger savers, vulnerable individuals, mass-market savers, families, foundations, business owners and affluent clients. The CARAC group's business model is based on a diversified product offering and multichannel distribution. In 2024, net inflows were approximately €435 million, positioning the CARAC group as the 8th largest player in the French life insurance market and the 2nd among mutual insurers¹. The salaried advisory network and remote channels are complemented by third-party distribution, including independent financial advisors and brokers (*Conseillers en gestion de patrimoine*, CGP), supporting wealth management advisory and open-architecture solutions.

3.2 Strategy

The “Ambition 2030” strategic plan is designed to support the CARAC group's independence, resilience and development in a changing market. The strategy is structured around three main pillars, each supporting the CARAC group's ambition to lead member-focused growth, renew its relationship model and consolidate its position in the long-term savings market and wealth management advice.

- *Opening the model – expansion enabled by the mutual model and financial capacity*

The CARAC group is opening and expanding its model by developing a broader, more efficient open-architecture distribution platform and by diversifying distribution toward independent financial advisors/brokers, family offices and platforms, while integrating services along the value chain (including API-enabled services and shared-service arrangements) to better serve wealth managers and their clients. This approach is based on open, modular and interoperable processes designed to interface with different partner environments and to support transactional and servicing use cases.

This expansion path is consistent with the Issuer's mutualist status (without shareholders and with full retention of earnings) and with its objective to preserve independence and strategic flexibility while supporting long-term commitments to members. The operating model is intended to remain non-exclusive and capable of phased expansion, enabling phased integration across the value chain without altering the CARAC group's prudential posture.

The Issuer's financial profile provides capacity for disciplined deployment in support of this opening (as at 31 December 2024), as detailed in paragraphs 3.5 (*Financial performance*) and 3.8 (*Solvency and own funds*) below:

- eligible own funds of approximately €2.1 billion;
- Solvency II ratios of 309% without financial debt or recourse to transitional measures;
- an average net result of approximately €74 million over the last five financial years, contributing to the progressive reinforcement of equity; and
- a Provision for Profit-Sharing of €0.5 billion (6.1% of euro mathematical reserves on a solo basis), which supports intertemporal smoothing of credited rates.

External growth supports this positioning: the acquisitions of Selencia and Aream broaden the offer across euro funds, unit-linked supports and alternative assets and extend access to B2B distribution and real assets while reinforcing the Issuer's B2C model and supporting its priority to build a full range of financial solutions that meets the needs of different types of clients. In 2025, 20,000 new clients are expected, compared to 7,000 new clients in 2022.

¹ [Argus de l'Assurance 2025](#)

In implementing this development strategy, the CARAC group is attentive to market opportunities, considering selective external growth and partnerships to complement organic initiatives (technology and data/AI investment, product and mandate expansion, and operational integration with partners), with the objective of maintaining its risk and credit profile and its solvency ratio above 200%, within the framework of its risk appetite and prudential constraints.

- ***Enhancing wealth management excellence***

The CARAC group is strengthening, through a gradual and documented approach, its capabilities in wealth management in order to enhance the quality and consistency of member and client support across all segments addressed. This pillar covers, on the one hand, the upskilling of the salaried network through training, tooling and standardised portfolio management methods, including patrimonial specialisation where appropriate; and, on the other hand, the anchoring of Selencia as a B2B platform serving independent financial advisors, brokers and platforms, within an open-architecture and compliant framework. Technology components, including data and AI modules integrated into core systems, are deployed to support patrimonial analysis, risk-profile-consistent financial allocation and ongoing follow-up in line with regulatory requirements. The progressive enrichment of the insurance and financial offer aims to better cover patrimonial needs across client segments, subject to prudential constraints and risk appetite. Lastly, the optimisation of back-office functions and omnichannel journeys is intended to support reinforced interactions and measurable service quality, with appropriate access and continuity of service across channels, including remote access.

- ***Mutualist Values and Social Commitment***

The CARAC group conducts its business with a distinct mutualist and affinity-based approach, as a “*mutuelle à mission*”, maintains intergenerational links, supports families and promotes financial education. Responsible investment policies incorporate sustainability and decarbonisation objectives. Visibility and attractiveness have increased in line with these commitments and the CARAC group’s mission-driven identity.

All initiatives are undertaken with a focus on maintaining financial strength and the mutualist model. The strategy is monitored through key performance indicators and a defined risk appetite framework, ensuring disciplined execution and alignment with the CARAC group’s values.

3.3 Activities

The CARAC group’s activities are structured around three main business lines: (i) insurance and savings, (ii) asset management and (iii) multi-channel distribution, each supported by dedicated entities that bring complementary expertise and market reach.

(a) Insurance and savings activities

Insurance and savings are led by the Issuer and strengthened by Selencia and Selencia Retraite.

- **CARAC** designs, underwrites and manages a comprehensive range of life insurance, long-term savings, retirement and protection contracts, in both euro-denominated and unit-linked formats. As at 31 December 2024, the Issuer applied euro fund rates of 3.50%² on multi-support and solidarity contracts, 3.30% on mono-support contracts and 4.00% on the individual retirement savings plan (*Plan d’Épargne Retraite*, PER). The rate on multi-support and solidarity contracts ranked third in the French market³ These rates were supported by a high level of Provision for Profit-Sharing (*Provision pour Participation aux Excédents*, PPE) of €527 million, representing 6.1% of mathematical reserves. Technical reserves for unit-linked policies totalled €678.2 million as at 31 December 2024, with an increasing unit-linked share in new business.

² Gross cumulative performance before taxes and social security contributions

³ <https://www.quechoisir.org/actualite-assurance-vie-le-palmares-des-rendements-2024-n149128/>

The CARAC offers retirement and protection solutions, including individual retirement saving plans, death or severe disability insurance and funeral insurance. The CARAC's *Retraite Mutualiste du Combattant* product remains a flagship offering and contributes to the stability of the liability profile due to its specific contractual features.

- **Selencia** is focused on the patrimonial and affluent segments through a B2B model, distributing a broad range of savings solutions via more than 700 independent financial advisors and brokers (*Conseillers en gestion de patrimoine, CGP*), premium platforms. As at 31 December 2024, Selencia managed €2.6 billion in euro-denominated funds and €1.7 billion in unit-linked products. Since joining the CARAC group, Selencia has experienced a 16% increase in gross inflows (€829 million), reaching €712 million in net premiums in 2024 (2023: €416 million) and amounting €174 million of eligible own funds. The integration of Selencia has enabled the CARAC group to consolidate its position among patrimonial savers, diversify its distribution channels and accelerate its growth in the wealth management market.
- **Selencia Retraite** is a dedicated insurance company with *Fonds de Retraite Professionnelle Supplémentaire* status, specialising in occupational retirement commitments and managing €1.3 billion in assets as at 31 December 2024. This entity allows the CARAC group to address the growing needs of professional and corporate clients for supplementary retirement solutions.

(b) Asset Management

The CARAC group's asset management is carried out by an in-house investment team responsible for managing the general account (euro funds) and for the selection and ongoing monitoring of third-party funds used in unit-linked and open-architecture offerings. The team oversees strategic asset allocation, portfolio construction, risk and liquidity management and manager due diligence within an ALM and governance framework. Management is predominantly internal, with limited delegation. Furthermore, CARAC's portfolio managers and analysts have longstanding experience across fixed income, listed assets and multi-manager solutions, together with established capabilities in non-listed assets that contribute to the financing of the real economy (including private debt, infrastructure and other private-market strategies). In 2024, the CARAC's general account delivered a portfolio yield of 3.76%, supported by disciplined asset-liability management and active market positioning.

- **Atream** (59,99% owned, as at the date of the Information Memorandum) is an independent management company specialising in real-asset and real-estate fund management with recognised expertise in the hospitality and tourism sectors with 45 employees as of 2024. In 2024, Atream managed approximately €4.0 billion (2023: €3.8 billion) in assets and generated €16.8 million in net revenues (2023: €13.5 million). Atream has a longstanding relationship with the Issuer, including mandates representing approximately €1.7 billion of assets. Its capabilities broaden the CARAC group's access to real estate and private-market solutions, notably club deals and private equity, supporting themes such as responsible investment, regional development and demographic transition.
- **CARAC Conseil** is the CARAC group's brokerage platform (*courtage*), dedicated to portfolio animation and client servicing. It operates under delegation on behalf of Selencia to support B2C portfolio management through an omnichannel approach. Its role is to equip and organise online distribution in support of proprietary and partner channels, in compliance with requirements relating to conduct of business, product governance and client protection. Its activity will be expanded over time as part of the CARAC group's distribution strategy.

(c) Multichannel distribution

The CARAC group's distribution model combines proprietary and partner networks with digital platforms:

- **Proprietary salaried network:** approximately 250 employees, including 210 advisors across 5 regions and 24 commercial areas, comprising 150 mutualist advisors (including 20 patrimonial advisory specialists), 50 member relations officers, 10 remote sales advisors and 40 managers (including executive management) and support functions, representing a 68% increase compared to 2021.
- **Independent financial advisors and brokers:** distribution is enhanced through Selencia, Selencia Patrimoine and CARAC Conseil, with more than 700 partner firms.
- **Digital and hybrid journeys:** the CARAC group has invested in a remote customer relationship management, contact-centre-as-a-service (CCaaS) tools and in-house digital modules to streamline onboarding, advice and servicing. CARAC Conseil further enhances digital distribution capabilities.
- **Mutualist partnerships:** the CARAC group acts as a reference partner to public-sector and mutualist institutions, providing potential access to identified beneficiary bases across France. In particular, its cooperation with *Banque Française Mutualiste* and its 24 shareholder mutuals provides an addressable offer to approximately 3.6 million members, and the distribution agreement with *Groupe Intérieure* covers a community of around 480,000 protected persons. These partnerships complement collaborations with *Intégrance*, *Unéo* and other sector players, focused on savings and retirement solutions (including retirement saving plans) and the *Retraite Mutualiste du Combattant* tailored to the specific needs of public servants, defence communities and protected populations. Action plans with these partners are currently being defined, with phased roll-outs to be deployed across selected networks as appropriate. Grounded in shared values and complementary capabilities, these agreements position the CARAC group as a preferred partner for social protection mutuals seeking to expand and diversify their product offering, with dedicated propositions to be introduced on a scalable basis.

3.4 Proposed acquisition of the Astoria group

(a) General presentation of the Astoria group

The Astoria group is a leading French wealth management and private banking advisory platform founded in 2002, with a dual focus on high-end and intermediate wealth segments and an asset management arm. The Astoria group has expanded through a combination of targeted acquisitions of wealth management advisor networks and sustained organic growth. It serves a broad client base - from mass-affluent to high-net-worth clients - through three complementary business lines: intermediate wealth management, high-end wealth management and asset management. The Astoria group ranks among the largest independent financial advisor networks in France by assets under management.

As of 2024, the Astoria group reported approximately €12 billion of assets under management (€14 billion of assets under management in 2025 and €65 million of proforma adjusted EBITDA 2025⁴ based on estimated figures), approximately 114,000 clients, gross inflows of approximately €775 million (gross inflows of €1 billion in 2025 based on estimated figures), a nationwide footprint of 43 locations in France and a workforce of approximately 364 employees, of whom approximately 212 are advisors, including independent agents. The Astoria group's distribution model combines a dense agency network and advisory resources tailored to patrimonial clients and private banking relationships, underpinned by a platform approach across advisory and management activities.

Based on 2025 estimated figures, it is expected that Astoria group generates €132 million of revenue: 66% from wealth management advisory, 30% from private banking and 4% from Sapia management.

⁴ EBITDA equals to net result before interest, tax and amortization.

The Astoria group comprises four main entities:

- **Astoria Finance**, having gross written premiums amounting €470 million in 2024, €8.9 billion in assets under management (assets under management of €10 billion in 2025 based on estimated figures) and a team of 157 advisors (205 in 2025 based on estimated figures).
- **Astoria Courtage**, having gross written premiums amounting €30 million in 2024, €0.6 billion in assets under management (assets under management of €0.5 billion in 2025 based on estimated figures) and a network of 28 independent advisors (29 in 2025 based on estimated figures).
- **Insinia**, having gross written premiums amounting €275 million in 2024, €2.2 billion in assets under management (assets under management of €2.9 billion in 2025 based on estimated figures) and 27 advisors (34 in 2025 based on estimated figures).
- **Sapienta Gestion**, which managed €0.2 billion of assets under management in 2024 (assets under management of €0.6 billion in 2025 based on estimated figures) and 8 employees (9 in 2025 based on estimated figures).

(b) The acquisition

As of the date of this Information Memorandum, the Issuer is in exclusive negotiations regarding the proposed acquisition of a 70% stake in the Astoria group. The contemplated transaction is aligned with the CARAC group's strategy to broaden its distribution base, deepen wealth advisory capabilities across the value chain and enhance earnings diversification. The transaction is expected to be accretive to the CARAC group's profitability while maintaining the solvency ratio comfortably above the CARAC group's risk-appetite thresholds post-acquisition.

Based on 2025 estimated combined figures, the combination of CARAC and Astoria group would represent approximately €35 billion of assets under management (of which €21 billion for CARAC and €14 billion for Astoria group), approximately 600,000 members and clients, gross inflows of approximately €2.8 billion (€1.8 billion for CARAC and €1 billion for Astoria group) and a nationwide footprint of 93 agencies and 1260 employees.

In addition and near 2030, CARAC targets €5 billion in gross inflows and over €50 billion in assets under management.

Completion would remain subject to customary conditions and regulatory approvals. There can be no assurance that the proposed transaction will be completed, nor as to its timing or final terms. Any forward-looking statements in connection therewith are subject to risks and uncertainties as described in "*Risk Factors*".

Pending completion, the Issuer and Astoria group will continue to operate independently. Any integration steps would occur only following closing and receipt of relevant approvals.

3.5 Financial performance

This paragraph presents the financial performance and position of the Issuer and the CARAC group (before Astoria group acquisition) for the year ended 31 December 2024. Unless stated otherwise, figures refer to consolidated financial information prepared under French GAAP.

(a) Revenue, earnings and profitability

In 2024, business volumes increased at both CARAC group and Issuer levels.

Consolidated gross written premiums amounted to €1,387.9 million (2023: €766.8 million), comprising traditional life premiums of €1,042.0 million (2023: €579.0 million) and unit-linked premiums of €346.0 million (2023: €188.0 million). The increase reflects the first full-year consolidation of Selencia and higher production in B2B patrimonial channels, together with a higher-rate environment that supported demand for euro-denominated products. Within new

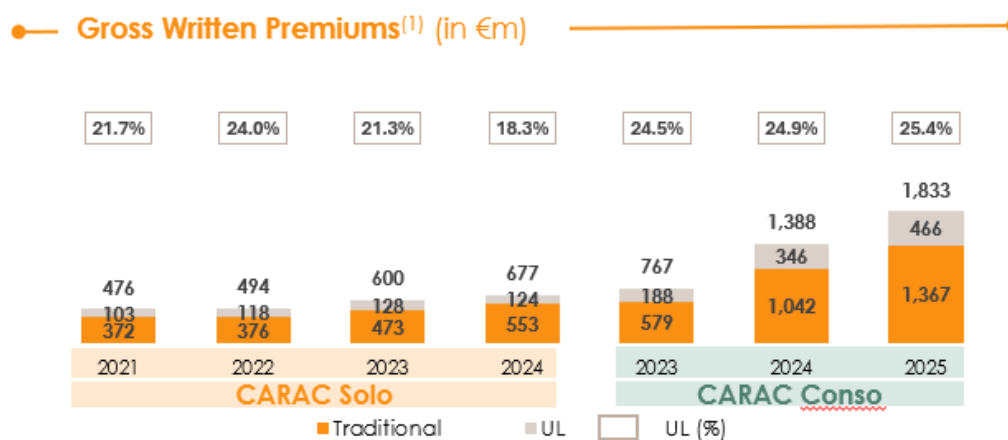
business, the share of unit-linked increased, while volumes in traditional products also grew. On a pro forma basis (including Selencia’s full year 2023), consolidated premium growth was approximately 37% in 2024.

On a solo basis, the Issuer’s gross written premiums amounted to €676.6 million (2023: €600.3 million), driven by savings and retirement lines, consistent with the trends observed at the CARAC group level.

Issuer operating income was €105.9 million (2023: €96.1 million) and consolidated operating income was €135.8 million (2023: €115.2 million). The increase in operating income resulted from higher business volumes, a favourable asset yield environment and operating cost discipline. Selencia contributed positively on a full-year basis and no material integration costs were recorded in the period. General and administrative expenses rose year-on-year in connection with investments in distribution capacity and technology; this increase was offset by revenue growth and a higher net insurance margin. The net result attributable to the CARAC group was €76.1 million (2023: €72.5 million) and the Issuer’s net result was €63.2 million (2023: €48.0 million). The year’s net result reflects the 12-month contribution from Selencia, an improved technical margin in savings and retirement supported by portfolio mix and persistency and the absence of material non-recurring items.

Consolidated shareholders’ equity was €1.5 billion at 31 December 2024. The CARAC group’s normative return on equity for the year was 6.6% and, on a solo basis, the Issuer’s normative return on equity was 5.4% (2023: 5.0%). These levels are consistent with the mutual model, the risk appetite and the policyholder participation framework and reflect measured distribution to policyholders alongside the reinforcement of own funds.

The Issuer and CARAC group Gross Written Premiums (in €m):



(1) French GAAP, acquisition of Selencia completed at end of September 2023

The Issuer and CARAC group simplified French GAAP Profit & Loss (in €m):

CARAC group – Simplified French GAAP P&L (in €m)

| €m | CARAC Solo | | Conso | |
|---|-------------|--------------|--------------|--------------|
| | FY23 | FY24 | FY23 | FY24 |
| Technical margin | 5.8 | (2.1) | 35.2 | (0.6) |
| Management loadings | 54.3 | 57.6 | 59.3 | 141.6 |
| Financial margin | 127.2 | 156.8 | 132.2 | 175.6 |
| Net Insurance Income | 187.3 | 212.3 | 226.8 | 316.8 |
| Net Income – Other activities | n/a | n/a | 3.6 | 17.0 |
| Commissions | n/a | n/a | (9.2) | (40.5) |
| Overhead costs | (91.1) | (106.4) | (105.9) | (157.4) |
| Operating income | 96.1 | 105.9 | 115.2 | 135.8 |
| Other income and expenses | (30.5) | (28.7) | (27.2) | (17.0) |
| Income tax | (17.6) | (14.0) | (15.5) | (41.2) |
| Minority interests | n/a | n/a | 0.0 | (1.5) |
| Net result – Attributable to the Group | 48.0 | 63.2 | 72.5 | 76.1 |

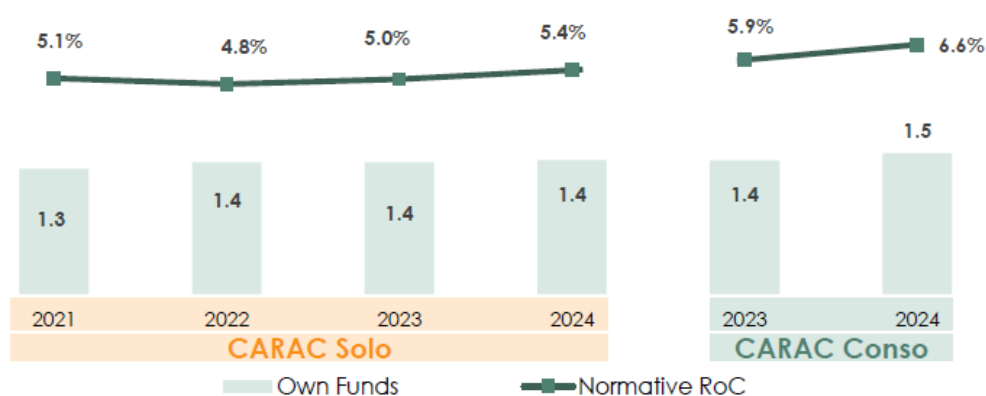
Key figures

| | | | | |
|--|---------|---------|----------|----------|
| Gross Written Premiums (€m) | 600.3 | 676.6 | 766.8 | 1,387.9 |
| Technical Provisions (€m) ⁽¹⁾ | 9,041.2 | 9,256.4 | 13,022.2 | 13,604.2 |
| Net Insurance Income / Technical Provisions ⁽¹⁾ (%) | 2.1% | 2.3% | 1.7% | 2.3% |

(1) Excluding provision for profit-sharing and outstanding claims reserve

The Issuer and CARAC group Shareholders' equity (in €bn) and Normative Return on Equity:

Own Funds⁽¹⁾ (in €bn) and Normative RoC⁽²⁾

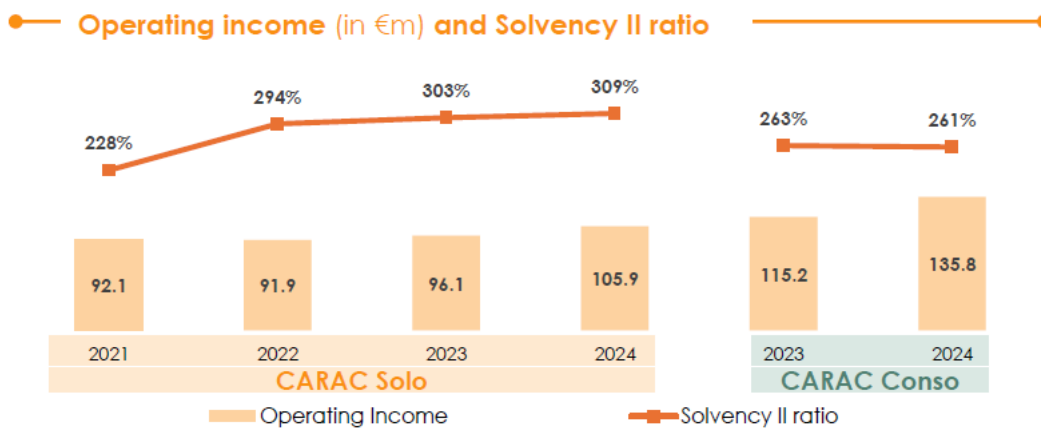


(1) French GAAP, acquisition of Selencia completed at end of September 2023

(2) Normative RoC = (operating income – normative taxes (25.83%)) / French GAAP Own Funds

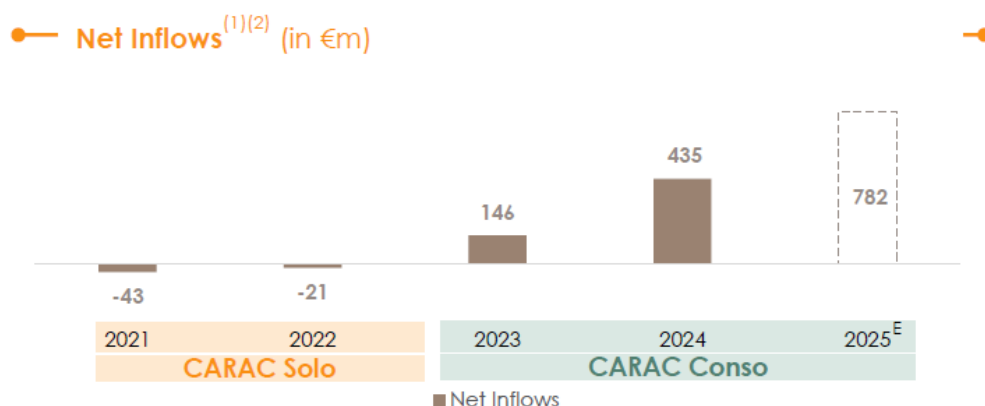
(b) Capital position and solvency

Solvency metrics remained above applicable regulatory requirements (as more fully described in paragraph 3.8 (*Solvency and own funds*) below). The Issuer's solvency ratio was 309% at 31 December 2024 (2023: 303%). The CARAC group's solvency ratio was 261% (2023: 263%).



(c) Business activity, assets under management and liabilities

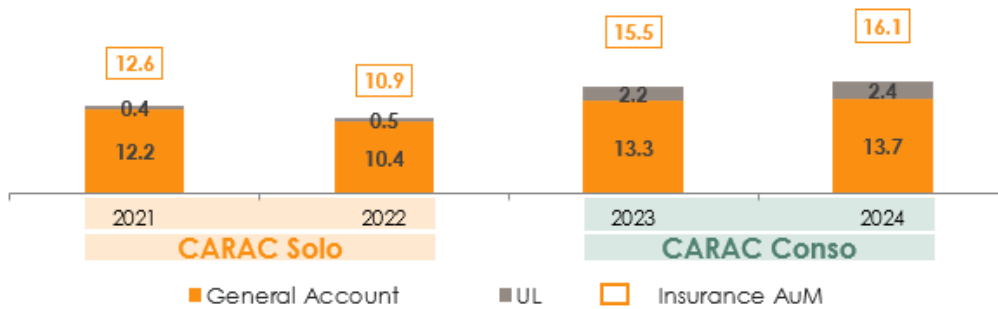
Business activity resulted in positive net inflows and growth in assets under management. Net inflows (savings including capitalisation and retirement) were approximately €435 million in 2024 (€782 in 2025 based on estimated figures), marking a reversal versus prior years. This outcome is consistent with a higher-rate environment, the continued commercialisation of unit-linked solutions and the contribution from B2B patrimonial channels. Based on available market data, the CARAC group represented approximately 1.4% of French market net inflows in 2024 and ranked eighth in France in net inflows in savings for the year⁵. Membership also increased, with approximately 15,000 new members in 2024.



(1) Net inflows excluding annuities payments (2) Figures presented at Fair Value

On a consolidated basis, insurance assets under management were €16.1 billion at 31 December 2024 (31 December 2023: €15.5 billion), comprising €13.7 billion in traditional general account assets and €2.4 billion in unit-linked assets. This increase reflects the positive net inflows noted above and the recovery in market levels over the period. On a solo basis, the Issuer’s insurance assets under management were €10.9 billion at 31 December 2022. In addition, following the consolidation of Aream (end-September 2024), total assets under management at the CARAC group level, including third-party assets managed by subsidiaries, amounted to approximately €20 billion as at 31 December 2024.

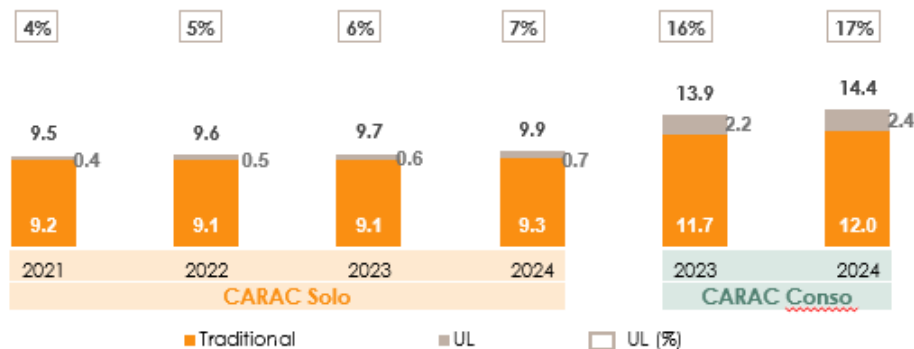
Insurance AuM breakdown (in €bn)⁽²⁾



(2) Figures presented at Fair Value

Technical provisions followed a similar trajectory. Consolidated technical provisions were €14.4 billion at 31 December 2024; on a solo basis, the Issuer’s technical provisions were €9.9 billion. Within total provisions, the share of unit-linked increased, while traditional life reserves remained significant. The change in the liability mix is consistent with the CARAC group’s asset-liability management framework.

Breakdown of technical provisions⁽¹⁾ (in €bn)



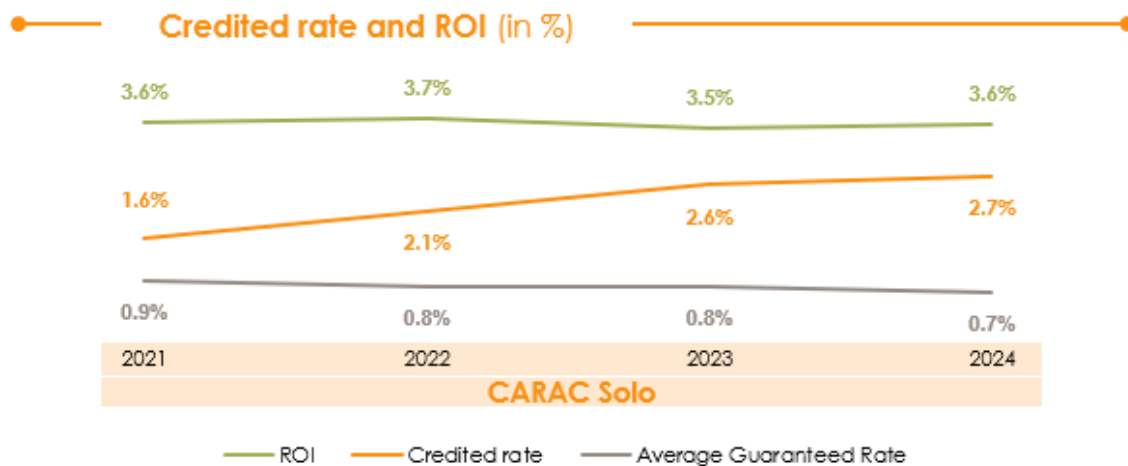
(1) French GAAP, acquisition of Selencia completed at end of September 2023

(d) Credited rates, investment returns and policyholder participation

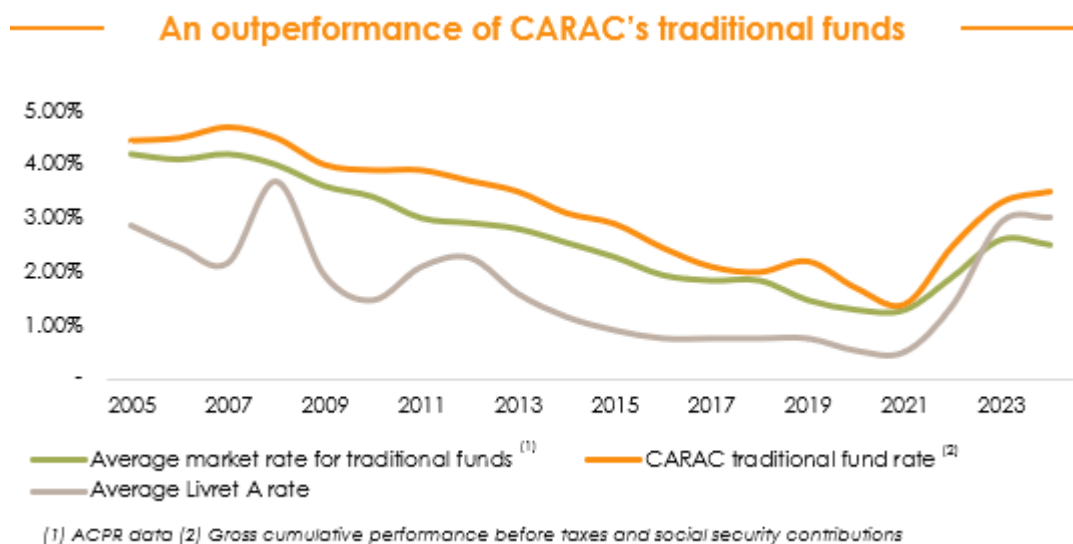
The CARAC group’s product offering remained competitive across market cycles in 2024 while the CARAC group’s crediting policy remained aligned with the performance of the general account and with prudential constraints. The CARAC group’s credited rates on traditional life funds continued to outperform the market average over the long term, supporting retention and new business with affluent and high-net-worth clients, while the unit-linked proposition benefited from enhanced advisory and distribution efforts.

On a solo basis, the Issuer’s credited rate on traditional life funds was 2.7% in 2024, compared with a return on investments of 3.6% and an average guaranteed rate of 0.7%. The spread between investment return and credited rate allowed reinforcement of the Provision for Profit-Sharing and the maintenance of buffers to absorb market volatility.

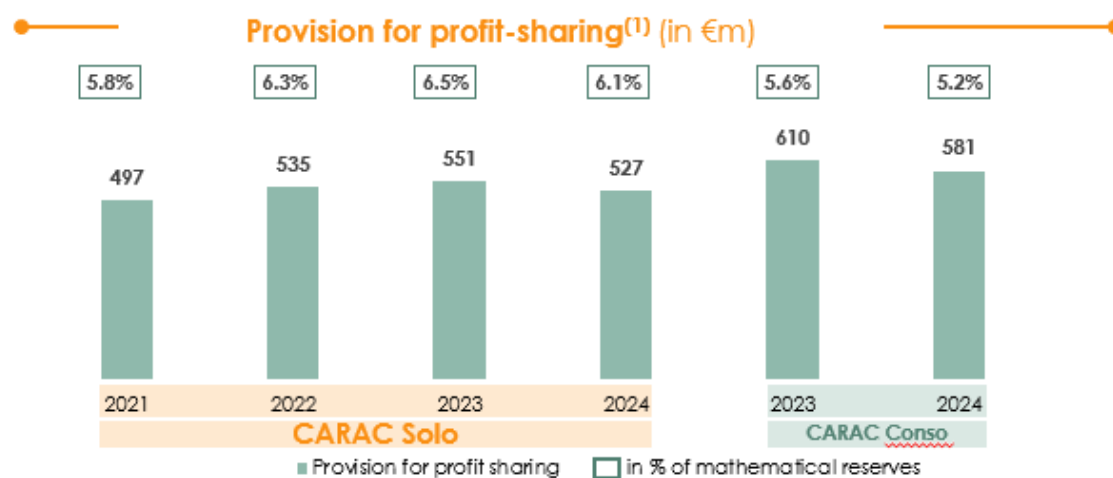
Credited rate and return on investment (“ROI”) (solo basis):



Historical comparisons versus French market averages and Livret A, as well as the year-on-year relationship between credited rates and investment returns, are presented in the charts below:



The Provision for Profit-Sharing was equivalent to 6.1% of mathematical reserves on a solo basis and 5.2% on a consolidated basis at 31 December 2024.



(1) French GAAP, acquisition of Selencia completed at end of September 2023

The combination of positive net inflows, an increased share of unit-linked in new production and continued demand for traditional life products supported revenue growth and recurring earnings in 2024.

3.6 Investment policies and asset allocation

(a) Investments of the CARAC group

The CARAC group's investment policy is designed to support its long-term commitments to policyholders while maintaining a prudent risk profile and strong solvency. The strategic asset allocation is approved by the Board of Directors, based on recommendations from Risk Management and is regularly reviewed to ensure alignment with the CARAC group's liability structure and risk appetite, market conditions and regulatory requirements.

The CARAC group carries out the management of its investment directly with an internal team ensuring a high level of agility and responsiveness. This structure allows timely portfolio adjustments to evolving market conditions, thereby enhancing financial risk management.

As at 31 December 2024, the CARAC group's investment portfolio amounted to approximately €13.2 billion at net book value. The portfolio is predominantly invested in fixed income assets, complemented by diversified allocations to real estate and equities, and supported by a substantial liquidity buffer. The CARAC group's asset allocation was as follows: 74% listed bonds, 9% real estate, 5% private debt, 5% listed equities, 4% money market instruments and 3% unlisted equities. In addition, the CARAC group maintained a cash buffer of approximately €1.5 billion as at year-end 2024, comprising approximately 37% cash and cash equivalents, 45% bonds maturing in 2025 and expected 2025 inflows of 18% from coupons and rental income. The CARAC group's exposure to non-euro currencies is kept below 2.6% after hedging.

This allocation reflects the CARAC group's emphasis on credit quality, capital preservation and stability of financial income over the long term, while retaining capacity to deploy selectively into risk assets consistent with the CARAC group's risk appetite.

(b) Listed fixed income portfolio

The listed fixed income portfolio forms the core of the CARAC group's investments and is constructed to be prudent, liquid and high quality. The allocation is anchored by euro-area sovereign and quasi-sovereign exposures and by investment-grade corporate credit diversified by sector and issuer.

- Allocation and credit quality: As at 31 December 2024, the listed fixed income portfolio amounted to €9.8 billion and was composed of approximately 52% Sovereigns, Supranationals and Agencies (SSA), 27% financial issuers, 19% corporate credit and 2% fixed income funds. The listed fixed income book exhibited strong credit quality (an average A rating), with approximately 5% rated AAA, 41% AA, 27% A, 26% BBB and approximately 1% high yield and an average duration of 8 years. As at 31 December 2024, the listed fixed income portfolio totalled €9.6 billion excluding UCITS.
- Geography: As at 31 December 2024, SSA holdings totalled approximately €5.1 billion. SSA exposures are concentrated in the euro area with a significant bias to core markets. By country, France represented approximately 61% of SSA holdings, followed by Italy at approximately 9%, Spain at approximately 9%, Belgium at approximately 9% and a residual allocation to other European issuers.
- Sector diversification: Within the credit portfolio, sector exposures are well balanced, with the largest weights to banks (approximately 34%) and insurance (approximately 18%), and granular allocations to utilities (approximately 11%), industry (approximately 7%), real

estate (approximately 6%), telecommunications (approximately 6%), consumer staples (approximately 6%) and smaller weights across energy, financial services, technology, consumer discretionary and commodities, which totalled approximately €4.5 billion.

Portfolio construction and ongoing management emphasise duration control, diversification and liquidity. The CARAC group continued to extend the maturity of new bond investments in 2024 to take advantage of attractive yields and further reduce the asset-liability duration gap to one year, while preserving a conservative credit profile, with limited and tightly controlled exposure to high yield instruments. The CARAC group actively manages reinvestment risk through dynamic reinvestment strategies and the use of forward purchases of OATs.

(c) Equity portfolio

Equity investments are calibrated to provide long-term return enhancement while limiting downside risk and earnings volatility.

- **Composition and approach:** As at 31 December 2024, the CARAC group's equity allocation totalled approximately €1.0 billion, including approximately €0.4 billion of strategic participations and unlisted equity. The portfolio comprised roughly 58% listed equities, 28% unlisted equities (including private equity and other non-listed strategies) and 14% strategic participations. Listed equities are managed through a core/satellite framework favouring index strategies and broad diversification. Approximately 70% of listed equity exposures are hedged, providing material downside protection and contributing an estimated 11-point benefit to the CARAC group's solvency ratio.
- **Geography:** As at 31 December 2024, the listed equity book was primarily exposed to Europe (53% (of which 23% to France)), with additional diversification to North America (37%), emerging markets (8%) and Japan (2%).

(d) Private markets

Unlisted investments represent 8% of total assets and are calibrated to deliver diversifying, resilient performance, with high granularity (70 private equity funds and 25 of private debt funds) and a predominantly French and European exposure.

- **Size and composition:** As at 31 December 2024, the unlisted assets portfolio amounted to approximately €0.9 billion of which 69% corresponded to private debt, 23% corresponded to private equity and 8% corresponded to infrastructure.
- **Private equity strategies:** As at 31 December 2024, the private equity allocation amounted to approximately €0.2 billion and was primarily focused on buyout (20%), cap dev/buyout (19%) and VC/growth (18%), complemented by sponsorless mezzanine, secondaries, co-investments and other strategies.
- **Private debt allocation:** As at 31 December 2024, the private debt portfolio was allocated to corporate (67%), infrastructure (28%) and real estate (5%) and amounted to approximately €0.6 billion.

(e) Real estate portfolio

Real estate is managed as a core, long-term holding, targeting stable income and value preservation through cycles.

- Size and use: As at 31 December 2024, the real estate portfolio amounted to €1.2 billion, of which 95% corresponded to investment properties and 5% to assets for own use.
- Geography: The portfolio was predominantly located in Paris and the Île-de-France region, with the following breakdown by location: Paris 33%, Greater Paris Area 27%, French regions 26% and outside France 14%.
- Property type: The portfolio was diversified across sectors, principally offices (40%) and residential (28%), with additional exposures to retail (10%), hotels (9%), healthcare (5%), services (4%) and logistics/warehouse (4%).

The CARAC group benefits from the expertise of its real estate asset management platform in origination, asset selection and disposal processes and manages the portfolio with a long-term perspective. The portfolio exhibits significant latent gains.

(f) ESG investment policy

Environmental, social and governance (ESG) considerations are fully integrated into the investment process across all asset classes. The CARAC group pursues ambitious targets as outlined in its strategy, including increasing the share of sustainable assets, and reducing the carbon intensity of its corporate bond portfolio to contribute positively to the environmental and social transition.

- Decarbonisation targets: CARAC targets a 25% reduction by 2027 in the carbon intensity (Scopes 1, 2 and 3) of the corporate bond portfolio versus the 2022 baseline, with an interim progress of approximately 18% reduction achieved since 2022.
- Green and sustainable investments: CARAC aims to allocate at least 15% of the corporate bond portfolio to green bonds by 2027 and 15% of the funds portfolio promoting a social / societal theme by 2027. The share of sustainable assets reached approximately 20% in 2024, with a target of 25% by 2027.
- Stakeholder engagement: As at 31 December 2024, approximately 78% of asset management companies in which investments were made have set emission reduction targets and 54% of companies in the corporate bond portfolio, with objectives to reach 80% and 70%, respectively, by 2027.

These commitments are complemented by exclusion and stewardship policies consistent with best market practices. The overall framework is designed to support responsible investment and long-term value creation for the CARAC group's members while maintaining the financial resilience of the portfolio.

3.7 Funding and Liquidity

The Issuer operates under a mutualist model, which means that all results are fully allocated to reserves and no dividends are distributed. All profits are systematically integrated into equity, further strengthening the CARAC group's financial position. The absence of dividend payments systematically

reinforces the CARAC group's reserves and has led to a steady increase in equity over time, as described in paragraph 3.8 (*Solvency and own funds*) below.

This approach has enabled the Issuer to maintain a level of equity that is very high relative to the size of its balance sheet and supports the CARAC group's capacity to finance projects and diversify its product offering in line with its prudential objectives.

As at the date of this Information Memorandum, the Issuer and, as applicable, the CARAC group had no interest-bearing financial indebtedness outstanding (other than ordinary-course trade payables and usual operating liabilities). Accordingly, the issuance of the Notes would constitute the first subordinated debt instrument of the group.

3.8 Solvency and own funds

The CARAC group's solvency risks are monitored under the current regulatory framework for solvency requirements, known as "Solvency II".⁶

The Issuer assesses the availability and eligibility of its own funds and those of its affiliated entities to cover the consolidated Solvency Capital Requirement ("SCR") of the CARAC group.

Solvency Capital Requirement and Minimum Capital Requirement

The CARAC group's solvency ratio was 261% as at 31 December 2024 compared to 263% at 31 December 2023 (and is expected to be above 200% post-acquisition of the Astoria group). This level is above the CARAC group's internal target ratio of 150% (excluding the Provision for Profit-Sharing). Changes in the CARAC group solvency's ratio primarily reflect retained earnings increasing eligible own funds, the full-year consolidation of Selencia, market effects on asset valuations and Solvency Capital Requirement components, and updates to underwriting and operational risk parameters.

Over the duration of the plan, the CARAC group's solvency ratio is projected to remain between 260% and 280% (or between 220% and 250% when excluding the Provision for Profit-Sharing), which is significantly above the CARAC group's risk-appetite thresholds.

The CARAC group's SCR amounted to €809 million as at 31 December 2024 compared to €781 million at year-end 2023.

The consolidated SCR by risk module is as follows: market risk represents approximately 79% of the total requirement, life underwriting risk approximately 17%, operational risk approximately 3% and counterparty default risk approximately 1%. The predominance of market risk is consistent with the nature of a savings-oriented liability portfolio and the corresponding asset allocation; risk concentrations are monitored and mitigated through limits and hedging.

The CARAC group's Minimum Capital Requirement ("MCR") was €327 million as at 31 December 2024.

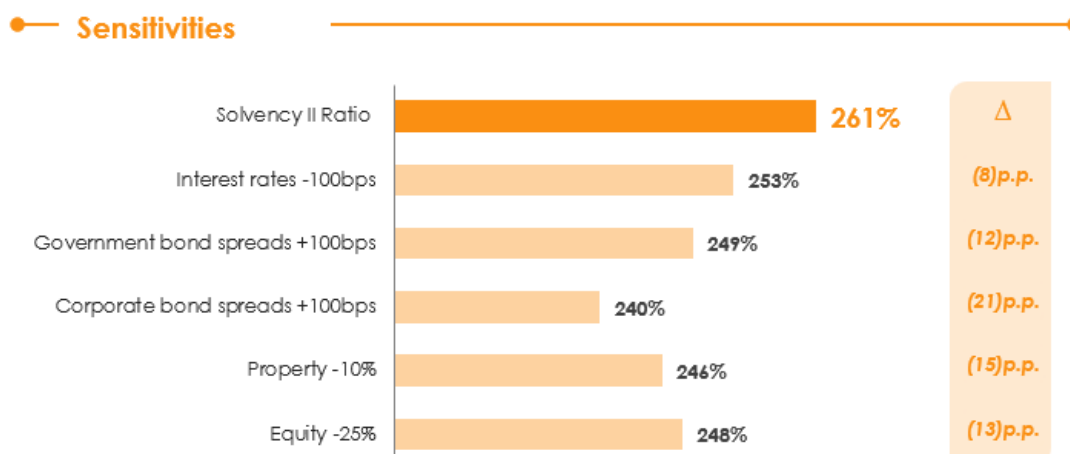
Own funds and subordinated liabilities

Eligible own funds to cover the CARAC group's SCR amounted to €2,108 million at 31 December 2024 compared to €2,057 million at 31 December 2023. The quality of own funds is high, with approximately 99.6% classified as unrestricted Tier 1. A marginal portion is classified as Tier 3, primarily relating to deferred tax assets recognised at Selencia. The CARAC group does not make use of external subordinated debt or hybrid capital instruments to enhance its solvency position.

Furthermore, the CARAC group operates currently with no material financial leverage, maintaining a leverage ratio of 0.4% in 2023 and 0.3% in 2024.

⁶ Aream is not included in the prudential group's consolidation scope within the meaning of Solvency II.

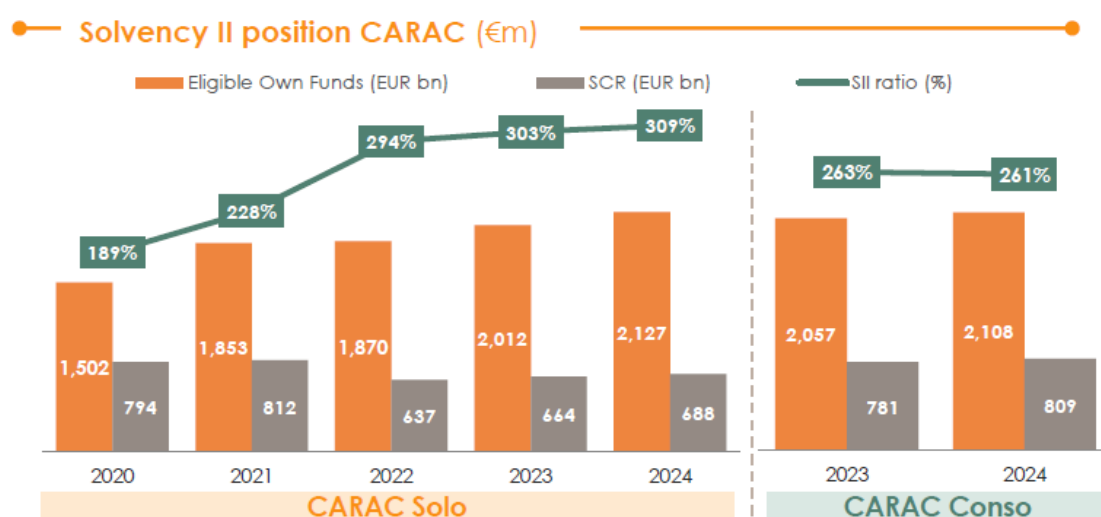
The CARAC group’s solvency profile and resilience to market shocks are illustrated in the chart below titled “Sensitivities” which shows the estimated impact on the consolidated solvency ratio of standard instantaneous shocks:



The CARAC group has implemented risk-mitigating measures, including a three-year equity put/spread hedging program at the Issuer level, which is estimated to provide a prudential benefit of approximately 11 solvency points and forward purchases of French government bonds to manage reinvestment risk. These measures aim to reduce downside volatility while preserving strategic latitude for asset allocation.

The CARAC group’s capital management is conducted within a defined risk appetite framework, with an objective to maintain the solvency ratio materially above regulatory minima. The mutual model, which involves no dividend distributions and the systematic retention of earnings, contributes to the growth of own funds. In addition, the CARAC group manages the solvency ratio without reliance on transitional measures on technical provisions or the eligibility of the Provision for Profit-Sharing.

A combined presentation of eligible own funds, the SCR and the Solvency II ratio for the Issuer and the CARAC group is provided in the chart below:



3.9 Mission-driven mutual status and social commitment

In 2024, the Issuer adopted the status of “*mutuelle à mission*” within the meaning of the French *Code de la mutualité*. This status embeds in the Issuer’s by-laws a “*raison d’être*” and binding social and environmental objectives, which the Issuer undertakes to pursue alongside its insurance activities. Unlike voluntary soft-law commitments, these objectives are statutory and structure the Issuer’s long-term strategic positioning. A dedicated governance framework, including a mission committee

composed of internal and external members, oversees implementation through defined action plans, indicators and annual reporting to the relevant corporate bodies.

The Issuer’s by-laws set four statutory objectives: (i) to stand alongside individuals and families to protect, enhance and transmit their wealth with confidence; (ii) to create value for members and for society through its actions, solutions and responsible investments; (iii) to rely on elected mutualist representatives and local stakeholders to strengthen proximity with members and develop mutual aid; and (iv) to cultivate, with humanity, the memory and commitment that underpin its collective identity, in order to build a shared future.

These statutory objectives are translated into operational objectives supported by measurable indicators. In particular: under (i), supporting vulnerable members, advancing financial and extra-financial education and securing multi-generational wealth transmission; under (ii), investing in a responsible, innovative and sustainable manner; under (iii), promoting sport as a vector of inclusion across territories, mobilising for mutual aid within the military community and engaging elected representatives and employees; and under (iv), supporting research and acting to preserve historical memory.

Illustrative actions include responsible investment policies aligned with the Issuer’s mission, targeted initiatives for vulnerable members and partnerships within the military and mutualist communities. Among others, in 2025, the Issuer signed a 10-year letter of commitment with AFM-Téléthon and the *Association Institut de Myologie* to support the creation of the *Fondation de Myologie*, the first global research centre dedicated to muscle with international reach. The Issuer also supports the Armée de Terre Foundation, including through a partnership established in 2025 between the army and major players in civilian life, to transmit the spirit of commitment and solidarity at the heart of society, particularly among young people.

3.10 Ratings

The Notes have been rated BBB+ by S&P Global Ratings Europe Limited (“S&P”). The Issuer’s long-term debt is rated A (stable outlook) by S&P. S&P is established in the European Union and registered under the CRA Regulation and 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 (<https://www.esma.europa.eu/credit-rating-agencies/cra-authorisation>) as of the date of this Information Memorandum.

4. ISSUER'S BOARD OF DIRECTORS AND MANAGEMENT OF THE ISSUER

4.1 Board of Directors of the Issuer

The Issuer is administered by a board of directors (the “**Board of Directors**”) which is granted all powers, within the limits set by the applicable regulation and the articles of association, other than those expressly reserved to the general assembly (*Assemblée générale*), to make decisions necessary or useful to the management and the development of the Issuer and to ensure their implementation.

The Board of Directors is composed, as at the date of the Information Memorandum, of 19 members which have been elected by the delegates at the general assembly. The list of the board members of the Issuer and the other significant offices and positions held in other companies (on the basis of their representations) is as follows:

| Board Member | Principal other offices and positions held in other companies | Date of first appointment | Renewal |
|----------------------|---|---------------------------|---------|
| Marie-Thérèse Alonso | None | 24 June 2024 | |

| Board Member | Principal other offices and positions held in other companies | Date of first appointment | Renewal |
|------------------------|--|---------------------------|--|
| Christophe Bayard | SELENCIA - Board member SELENCIA retraite - Board member | 27 June 2012 | 20 June 2018 24 June 2024 |
| Véronique Betegnies | SELENCIA - Board member SELENCIA retraite - Board member | 23 June 2021 | |
| Laurence Brice | None | 23 June 2021 | |
| Amaury Buino | None | 12 June 2008 | 11 June 2014 23 June 2021 |
| Isabelle Conti | None | 14 June 2016 | 23 June 2021 |
| Jean-Philippe Couasnon | None | 24 June 2010 | 14 June 2016 23 June 2021 |
| Henri-Noël Gallet | None | 27 June 2012 | 20 June 2018 24 June 2024 |
| Frédéric Garde | PCM SA – Deputy Chief Operating Office PCM Italy SRL - Board member PCM Colombia - Board member PCM Asia Pacific - Board member | 24 June 2010 | 14 June 2016 23 June 2021 24 June 2024 |
| Philippe Goujat | None | 24 June 2024 | |
| Régis Holo | None | 24 June 2024 | |
| Gérard Houry | None | 20 June 2018 | 24 June 2024 |
| Pierre Lara | None | 22 June 2006 | 27 June 2012 20 June 2018 24 June 2024 |
| Laurent Le Goc | None | 27 June 2012 | 20 June 2018 24 June 2024 |

| Board Member | Principal other offices and positions held in other companies | Date of first appointment | Renewal |
|---------------------|---|---------------------------|------------------------------|
| Jean-Marc Mallet | None | 27 June 2012 | 20 June 2018 24 June 2024 |
| Astrid Marage | None | 14 June 2016 | 23 June 2021 |
| Sandrine de Mayenne | None | 23 June 2021 | |
| Aurore Monpou | BFM – Board member | 23 June 2021 | |
| Marie-Paule Zussy | SELENCIA - Board member SELENCIA retraite - Board member | 23 June 2021 | |

The Board members' address is the registered office of the Issuer mentioned at the end of this Information Memorandum.

4.2 Management of the Issuer

In accordance with the provisions of the French *Code de la mutualité*, the management of *mutuelle* is ensured by at least two persons. The Chairman of the Board of Directors and the Chief Executive Officer are the persons who effectively run the Issuer (*dirigeants effectifs*) within the meaning of article R. 211-15 of the French *Code de la mutualité*.

As at the date of this Information Memorandum, the Issuer's Chairman of the Board of Directors (*Président*) is Mr Pierre LARA and the Issuer's Chief Executive Officer (*Directeur Général*) is Mr Michel ANDIGNAC.

Management is entrusted to an experienced executive team with backgrounds in insurance and large-group environments.

4.3 Specialised Committees

An Audit Committee is constituted pursuant to article 57 of the articles of association of the Issuer and in accordance with Article L.823-19 of the French *Code de commerce* and Article L.114-17-1 of the French *Code de la mutualité*. It oversees matters relating to the preparation and control of accounting and financial information. The Audit Committee is composed of up to five members. Its chair is elected by the Board of Directors on the recommendation of the President. The composition of the Audit Committee, together with the independence and competency criteria applicable to its members, is set out in the committee's internal regulations.

At the request of the Chairman of the Board of Directors, one or more other committees, whether permanent or temporary, may be constituted within the Board of Directors. Specialised committees are advisory only and form part of the Issuer's sound governance framework. The Chairman of the Board of Directors determines the composition of each committee, appoints its chair and its members and may invite the President and the Chief Executive Officer to attend committee meetings. On the proposal of the Chairman of the Board of Directors, internal operating rules approved by the Board specify the

composition, organisation, responsibilities and operating procedures of each committee in accordance with the general principles defined in the internal regulations. Specialised committees have no independent decision-making authority and may not receive any delegation of powers from the Board of Directors.

As at 31 December 2024, the specialised committees established within the Board of Directors were the Audit Committee, the Financial Committee, the Risk Committee, the “Elected Members’ Life” Committee, the Sustainable Development Committee and the Remuneration Committee.

Risk management is overseen by the Risk Committee and the Group Chief Risk Officer within a Solvency II framework, with a defined risk appetite (solvency and earnings), an annual own risk and solvency assessment (ORSA) and an internal control system comprising policies and procedures, risk mapping and control plans, independent compliance/risk/actuarial functions and periodic internal audit. The risks are monitored through qualitative risk mapping and the Standard Formula (no internal model), with continuous monitoring and ongoing training of internal departments to maintain appropriate risk controls.

In addition, in 2024 the Issuer constituted a Mission Committee dedicated to the “*Mutuelle à mission*”. This mandatory ad hoc governance body is specific to the Issuer. It is composed of seven external members and four internal members (including two employees and two board members) and includes three permanent guests: the President, the Chief Executive Officer and the Secretary General.

5. STATUTORY AUDITORS

As at the date of this Information Memorandum, both the consolidated and the Issuer’s financial statements are audited by:

- Forvis Mazars SA, represented by Guillaume Wadoux, the appointment of which will expire at the general meeting approving the accounts for the financial year ending on 31 December 2027; and
- Deloitte & Associés, represented by Estelle Sellem, the appointment of which will expire at the general meeting approving the accounts for the financial year ending on 31 December 2028.

6. CONFLICT OF INTEREST

It is important to note that, by definition and in accordance with applicable laws and regulations as well as the articles of association of the Issuer, the members of the Board of Directors are representatives of the Issuer’s subscribers and participants.

As of the date of this Information Memorandum, the Issuer is not aware of any potential conflicts of interest between the duties, with regard to the Issuer, of the members of the management bodies and their private interests and/or other duties.

SUBSCRIPTION AND SALE

Subscription Agreement

Natixis (the “**Global Coordinator**” and the “**Sole Bookrunner**”) has entered into a Subscription Agreement dated 3 February 2026 (the “**Subscription Agreement**”) according to which it has agreed with the Issuer, subject to the satisfaction of certain conditions, to subscribe for the Notes at an issue price equal to 99.231 per cent. of the Aggregate Principal Amount of the Notes, less a commission agreed between the Issuer and the Sole Bookrunner. In addition, the Issuer has agreed to indemnify the Sole Bookrunner against certain liabilities incurred in connection with the issue of the Notes. The Subscription Agreement may be terminated in certain circumstances prior to payment of the net proceeds of the issue 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 or securities laws of any state or other jurisdiction of the United States, and may not be offered or sold, directly or indirectly, within the United States, or to, or for the account or benefit of, U.S. persons, except in certain transactions exempt from, or not subject to, 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 under the Securities Act (the “**Regulation S**”).

The Sole Bookrunner has agreed that it has not offered or sold, and will not offer or sell, the Notes (i) as part of their distribution at any time or (ii) otherwise until forty (40) days after completion of the distribution of the Notes, within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each distributor or 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.

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 the 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.

Prohibition of Sales to European Economic Area Retail Investors

The Sole Bookrunner has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the EEA.

For the purposes of this provision:

- (a) the expression “**retail investor**” means a person who is one (or both) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or
 - (ii) a customer within the meaning of Directive 2016/97/EU, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II, and
- (b) the expression “**offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes.

United Kingdom

Prohibition of Sales to UK Retail Investors

The Sole Bookrunner has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the United Kingdom (“UK”).

For the purposes of this provision:

- (a) the expression “**retail investor**” means a person who is one (or both) of the following:
 - (i) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or
 - (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA, and
- (b) the expression “**offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes.

Other regulatory restrictions

The Sole Bookrunner has represented and agreed that:

- (a) 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 the Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

France

The Sole Bookrunner has represented and agreed that it undertakes to comply with applicable French laws and regulations in force regarding the offer, the placement or the sale of the Notes and the distribution in France of the Information Memorandum or any other offering material relating to the Notes.

Belgium

The Sole Bookrunner has represented and agreed that the offering of the Notes may not be advertised to any individual in Belgium qualifying as a consumer within the meaning of Article I.1, 2 of the Belgian Code of Economic Law, as amended from time to time (a “**Belgian Consumer**”) and 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.

Canada

Each Joint Bookrunner has represented and agreed that it has not offered or sold and will not offer or sell the Notes in Canada other than to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Notes must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Information Memorandum (including any amendment thereto) contains a

misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

General

No action has been taken in any jurisdiction that would permit an offer to retail investors of any of the Notes. Neither the Issuer nor the Sole Bookrunner 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.

The Sole Bookrunner has agreed that it will, to the best of its knowledge and belief, 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 this Information Memorandum or any other offering material relating to the Notes and obtain any consent, approval or permission required for the purchase, offer or sale of the 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 Joint Bookrunner shall have responsibility therefore.

GENERAL INFORMATION

1. Admission to trading

Application has been made to Euronext Growth for the Notes to be admitted to trading on Euronext Growth with effect on 5 February 2026.

2. Corporate authorisations

The Issuer has obtained all necessary corporate and other consents, approvals and authorisations in France in connection with the issue of the Notes.

The issue of the Notes has been authorised pursuant to a resolution of the General Assembly (*Assemblée Générale*) of the Issuer dated 3 November 2025 and a resolution of the Board of Directors (*Conseil d'administration*) of the Issuer, dated 28 January 2026.

3. Documents available

Copies of:

- (a) the *statuts* of the Issuer;
 - (b) this Information Memorandum; and
 - (c) the documents incorporated by reference in this Information Memorandum,
- will be published on the website of the Issuer (<https://www.carac.fr/investisseurs>).

4. Trend information

Except as disclosed or incorporated by reference in this Information Memorandum, there has been no material adverse change in the prospects of the Issuer or the CARAC group since 31 December 2024 (being the date of its last published audited financial statements).

5. Significant change in the financial position or financial performance

Except as disclosed or incorporated by reference in this Information Memorandum, there has been no significant change in the financial position or financial performance of the Issuer or the CARAC group since 31 December 2024 (being the date of their last published financial statements).

6. Working capital requirements

As of the date of this Information Memorandum, the Issuer confirms that, in its opinion, the working capital is sufficient for its present requirements.

7. Legal and arbitration proceedings

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 this Information Memorandum which may have or have had in the recent past a significant effect on the Issuer's or the CARAC group's financial position or profitability.

8. Clearing and settlement

The Notes have been accepted for clearance through Euroclear France (acting as central depository), Euroclear and Clearstream. The International Securities Identification Number (ISIN) for the Notes is FR0014015XV0. The Common Code for the Notes is 328661187.

The address of Euroclear is 1 boulevard du Roi Albert II, 1210 Brussels, Belgium, the address of Clearstream is 42 avenue John Fitzgerald Kennedy, L-1855 Luxembourg, Grand-Duchy of Luxembourg and the address of Euroclear France is 10-12 Place de la Bourse, 75002 Paris, France.

9. Auditors

The statutory auditors of the Issuer and the CARAC group are Deloitte & Associés and Forvis Mazars SA.

Deloitte & Associés and Forvis Mazars SA have audited and rendered unqualified reports on the statutory and consolidated financial statements of the Issuer and of the CARAC group for the financial years ended 31 December 2023 and 31 December 2024. The Issuer does not publish interim financial statements.

Deloitte & Associés has been appointed as statutory auditors of the Issuer at the meeting of the general assembly (“*Assemblée Générale*”) held on 9 January 2024.

Forvis Mazars SA has been appointed as statutory auditors of the Issuer at the meeting of the general assembly (“*Assemblée Générale*”) held on 23 June 2022.

The auditors are independent statutory auditors with respect to the Issuer as required by the laws of France and under the applicable rules of the *Compagnie Nationale des Commissaires aux Comptes*.

Deloitte & Associés and Forvis Mazars SA are registered as *Commissaires aux Comptes* (members of the professional body *compagnie régionale des commissaires aux comptes de Versailles et du Centre*) and are regulated by the *Haute Autorité de l’Audit*.

10. Expenses

The estimated costs for the admission to trading of the Notes on Euronext Growth are EUR 19,380.

11. Yield

The yield in respect of the Notes, calculated from the Issue Date to the Switch Date on the basis of the Issue Price is 4.472 per cent. *per annum*. It is not an indication of future yield.

12. Benchmark administrator

Amounts payable under the Notes in respect of each Floating Interest Period are calculated by reference to EURIBOR which is provided by the European Money Markets Institute (“**EMMI**”). As at the date of this Information Memorandum, the EMMI appears on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to Article 36 of the Benchmarks Regulation.

13. Sole Bookrunner’ Conflicts

The Sole Bookrunner and its affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Issuer and their affiliates in the ordinary course of business. In addition, in the ordinary course of their business activities, the Sole Bookrunner and its affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments

(including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or Issuer's affiliates. The Sole Bookrunner and/or its 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, the Sole Bookrunner and its 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. The Sole Bookrunner and its 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.

14. Interest of natural and legal persons involved in the issue

As far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the issue. The Sole Bookrunner is paid commissions in relation to the issue of the Notes. The Sole Bookrunner and its affiliates may also have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.

15. Ratings

The Notes have been rated BBB+ by S&P Global Ratings Europe Limited (“S&P”). The Issuer's long-term debt is rated A by S&P. S&P is established in the European Union and registered under the CRA Regulation and 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 (<https://www.esma.europa.eu/credit-rating-agencies/cra-authorisation>) as of the date of this Information Memorandum.

16. Material contract

At the date of this Information Memorandum, no material contracts have been entered into (other than in the ordinary course of the Issuer's business), which could result in the Issuer being under an obligation or entitlement that is material to the Issuer's ability to meet its obligations to Noteholders in respect of the Notes being issued.

17. LEI

The Issuer's Legal Entity Identifier (LEI) is: 969500VRQXGW3RZA3N78.

RESPONSIBILITY STATEMENT

I declare that, to the best of my knowledge, the information provided in the Information Memorandum is fair and accurate and that, to the best of my knowledge, the Information Memorandum is not subject to any material omissions, and that all relevant information is included in the Information Memorandum.

CARAC

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France

Represented by: Michel Andignac, *Directeur Général* of the Issuer

3 February 2026

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