

Base Prospectus dated 24 June 2019

IMERYS



€3,000,000,000

Euro Medium Term Note Programme

Under the Euro Medium Term Note Programme (the "**Programme**") described in this base prospectus (the "**Base Prospectus**"), Imerys, a French *société anonyme* (the "**Issuer**" or "**Imerys**"), subject to compliance with all relevant laws, regulations and directives, may from time to time issue Euro Medium Term Notes (the "**Notes**"). The aggregate nominal amount of Notes outstanding will not at any time exceed €3,000,000,000 (or the equivalent in other currencies as at the date of issue) subject to increase as described herein. Any Notes issued under the Programme on or after the date of this Base Prospectus are issued subject to the provisions described herein. This does not affect any Notes outstanding.

Application has been made to the *Commission de surveillance du secteur financier* (the "**CSSF**"), which is the Luxembourg competent authority for the purpose of the Directive 2003/71/EC of the Parliament and of the Council of 4 November 2003, as amended or superseded, on the prospectus to be published when securities are offered to the public or admitted to trading (the "**Prospectus Directive**") and relevant implementing measures in Luxembourg for approval of this Base Prospectus as a base prospectus issued in compliance with the Prospectus Directive and the *loi relative aux prospectus pour valeurs mobilières du 10 juillet 2005* (the Luxembourg law on prospectus for securities of 10 July 2005, as amended), for the purpose of giving information with regard to the issue of the Notes under the Programme described in this Base Prospectus during the period of twelve months after the date hereof. The CSSF gives no undertaking as to the economic or financial soundness of the transaction or the quality and solvency of the Issuer in line with the provisions of article 7(7) of the Luxembourg law on prospectuses for securities.

Application has been made to the Luxembourg Stock Exchange for Notes issued under the Programme during a period of twelve months from the date of this Base Prospectus to be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange. Application may also be made to the competent authority of any other Member State of the European Economic Area ("**EEA**") for Notes issued under the Programme to be listed and/or admitted to trading on a Regulated Market in such Member State. The Luxembourg Stock Exchange's regulated market is a regulated market (a "**Regulated Market**") for the purpose of Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments of 15 May 2014, as amended, appearing on the list of regulated markets issued by the European Securities and Markets Authority (the "**ESMA**"). However, Notes which are not listed and/or admitted to trading on a Regulated Market may be issued under the Programme and may also be listed on an alternative stock exchange or may not be listed at all. The relevant Final Terms (the "**Final Terms**") (in substantially the form of which is contained herein) in respect of the issue of any Notes will specify whether or not such Notes will be listed, admitted to trading and will be published, if relevant, on the website of the Regulated Market where the admission to trading is sought or on the website of the Issuer, as the case may be.

In the case of any Notes which are to be admitted to trading on a Regulated Market within the EEA and require the publication of a prospectus under the Prospectus Directive, the minimum denomination shall be no less than €100,000 or its equivalent in any other currency as at the date of issue of the Notes.

The long-term debt of the Issuer is rated Baa-2 (stable outlook) by Moody's Deutschland GmbH and BBB (stable outlook) by Standard and Poor's Credit Market Services France SAS. Notes issued under the Programme may be rated or unrated. The rating of the Notes, if any, will be specified in the relevant Final Terms. Whether or not each credit rating applied for in relation to a relevant series of Notes will be issued by a credit rating agency established in the European Union and registered under Regulation (EC) No 1060/2009, as amended (the "**CRA Regulation**") will be disclosed in the Final Terms. In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Union and registered under the CRA Regulation. Moody's Deutschland GmbH is established in the European Union and is registered under the CRA Regulation and it appears on the latest update of the list of registered credit rating agencies published by the ESMA. Credit ratings are subject to revision, suspension or withdrawal at any time, without notice, by the relevant rating organisation. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency. Potential purchasers of Notes should inform themselves of the rating(s), if any, applicable to a tranche of Notes before making any decision to purchase such Notes.

This Base Prospectus, together with the documents incorporated by reference in it, will be made available on the website of the Luxembourg Stock Exchange (www.bourse.lu).

See "Risk Factors" for a discussion of certain factors which should be considered by prospective investors in connection with any investment in any of the Notes.

Arrangers

BNP PARIBAS

Natixis

Permanent Dealers

BNP PARIBAS

CM-CIC MARKET SOLUTIONS

Commerzbank

HSBC

ING

MUFG

Natixis

RBC Capital Markets

Société Générale Corporate & Investment Banking

The date of this Base Prospectus is 24 June 2019.

This Base Prospectus (including the documents incorporated by reference herein), as may be supplemented from time to time, constitutes a base prospectus for the purposes of Article 5.4 of the Prospectus Directive.

This Base Prospectus is to be read and construed in conjunction with any supplement thereto and with any other documents incorporated by reference in accordance with Article 28 of Commission Regulation (EC) n° 809/2004, as amended or superseded (the "**Prospectus Regulation**") (see "Documents Incorporated by Reference") and, in relation to any Series (as defined under "General Description of the Programme – Method of Issue"), with the relevant Final Terms.

SOME ISSUES OF NOTES MAY NOT BE SUITABLE INVESTMENTS FOR ALL INVESTORS. NO INVESTOR SHOULD PURCHASE A NOTE UNLESS SUCH INVESTOR UNDERSTANDS, AND IS ABLE TO BEAR THE YIELD, MARKET LIQUIDITY, STRUCTURE, REDEMPTION AND OTHER RISKS ASSOCIATED TO THE NOTES. FOR FURTHER DETAILS, SEE "RISKS FACTORS" HEREIN.

The Notes may be issued either in dematerialised form ("**Dematerialised Notes**") or in materialised form ("**Materialised Notes**") as more fully described herein.

Dematerialised Notes will at all times be in book entry form (*inscriptions en compte*) in compliance with Article L.211-3 *et seq* and R.211-1 of the French *Code monétaire et financier*. No physical documents of title will be issued in respect of the Dematerialised Notes.

Dematerialised Notes may, at the option of the Issuer, be in bearer form (*au porteur*) inscribed as from the issue date in the books of Euroclear France ("**Euroclear France**") (acting as central depository) which shall credit the accounts of Account Holders (as defined in "Terms and Conditions of the Notes - Form, Denomination(s) and Title") including Euroclear Bank SA/NV, ("**Euroclear**") and the depository bank for Clearstream Banking, S.A, ("**Clearstream**") or in registered form (*au nominatif*) and, in such latter case, at the option of the relevant holder (as defined under "Terms and Conditions of the Notes - Form, Denomination(s) and Title"), in either fully registered form (*nominatif pur*), in which case they will be in an account maintained by the Issuer or by the registration agent (designated in the relevant Final Terms - the "**Registration Agent**") for the Issuer, or in administered registered form (*nominatif administré*) in which case they will be inscribed in the accounts of the Account Holders designated by the relevant holders.

Materialised Notes will be in bearer materialised form only and may only be issued outside France. A temporary global certificate in bearer form without interest coupons attached (a "**Temporary Global Certificate**") will initially be issued in connection with Materialised Notes. Such Temporary Global Certificate will be exchanged for definitive Materialised Notes in bearer form with, where applicable, coupons for interest attached on or after a date expected to be on or about the 40th calendar day after the issue date of the Notes (subject to postponement as described in this Base Prospectus, see "Temporary Global Certificates Issued in respect of Materialised Notes") upon certification as to non U.S. beneficial ownership as more fully described herein.

Temporary Global Certificates will (a) in the case of a Tranche (as defined in "General Description of the Programme – Method of Issue") intended to be cleared through Euroclear and/or Clearstream, be deposited on the issue date with a common depository on behalf of Euroclear and/or Clearstream Luxembourg and (b) in the case of a Tranche intended to be cleared through a clearing system other than or in addition to Euroclear and/or Clearstream or delivered outside a clearing system, be deposited as agreed between the Issuer and the relevant Dealer.

Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and any other terms and conditions not contained herein which are applicable to each Tranche of Notes will be set forth in the relevant Final Terms (in substantially the form of which is contained herein) which will be delivered, at the latest on the date of issue of the Notes of such Tranche. The Final Terms will also specify whether or not such Notes will be listed and/or admitted to trading and, if so, the relevant Stock Exchange.

No person is or has been authorised to give any information or to make any representation other than those contained in this Base Prospectus in connection with the issue or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorized by the Issuer or any of the Permanent Dealers or the Arrangers. Neither the delivery of this Base Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that there has not been any change in the affairs of the Issuer and any company which is controlled by the Issuer within the meaning of article L.233-3

of the French *Code de commerce* (the "**Group**") since the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that there has not been any adverse change in the financial position of the Issuer or the Group since the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The distribution of this Base Prospectus, any Final Terms and any offering materials under the Programme and the offer, sale and delivering of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus and any Final Terms comes are required by the Issuer, the Permanent Dealers and the Arrangers to inform themselves about and to observe any such restriction.

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**") OR ANY APPLICABLE SECURITIES LAW OF ANY STATE OF THE UNITED STATES AND INCLUDE MATERIALISED NOTES IN BEARER FORM THAT ARE SUBJECT TO U.S. TAX LAW REQUIREMENTS. SUBJECT TO CERTAIN EXCEPTIONS, THE NOTES MAY NOT BE OFFERED, SOLD OR DELIVERED WITHIN THE UNITED STATES OR TO U.S. PERSONS, BUT MAY BE OFFERED OUTSIDE THE UNITED STATES TO NON-US PERSONS IN OFFSHORE TRANSACTIONS IN RELIANCE ON REGULATIONS UNDER THE SECURITIES ACT ("**REGULATION S**") AND OTHER APPLICABLE LAWS. THE TERMS "UNITED STATES" AND "NON-US PERSON" USED IN THIS PARAGRAPH HAVE THE MEANING SPECIFIED UNDER REGULATIONS.

For a description of certain restrictions on offers and sales of the Notes and on distribution of this Base Prospectus, see section "Subscription and Sale" in this Base Prospectus.

This Base Prospectus does not constitute an offer of, or an invitation by or on behalf of the Issuer or the Permanent Dealers or the Arrangers to subscribe for, or purchase, any Notes.

The Arrangers and the Permanent Dealers have not separately verified the information or representations contained or incorporated by reference in this Base Prospectus. None of the Permanent Dealers or the Arrangers makes any representation, express or implied, or accepts any responsibility, with respect to the sincerity, accuracy or completeness of any of the information or representations in this Base Prospectus. Neither this Base Prospectus nor any other financial statements are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer, the Arrangers or the Permanent Dealers that any recipient of this Base Prospectus or any other financial statements should purchase the Notes. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this Base Prospectus and its purchase of Notes should be based upon such investigation as it deems necessary. None of the Permanent Dealers or the Arrangers has reviewed or undertakes to review the financial condition or affairs of the Issuer or the Group during the life of the arrangements contemplated by this Base Prospectus nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Permanent Dealers or the Arrangers.

In this Base Prospectus, any discrepancies in any table between totals and the sums of the amounts listed in such table are due to rounding.

MiFID II PRODUCT GOVERNANCE / TARGET MARKET – The Final Terms in respect of any Notes will include a legend entitled "MiFID II Product Governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments of 15 May 2014, as amended ("**MiFID II**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

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

PRIIPs / IMPORTANT – EUROPEAN ECONOMIC AREA ("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 EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II or (ii) a customer within the meaning of Directive 2016/97/EU of the European Parliament and of the Council on insurance distribution of 20 January 2016, 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 (as defined above) in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any such retail investor in the EEA may be unlawful under the PRIIPs Regulation.

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RISK FACTORS

The following sets out certain aspects of the offering of the Notes of which prospective investors should be aware and which may affect the Issuer's ability to fulfil its obligations under the Notes. Prior to making an investment decision, prospective investors should consider carefully all of the information set out in this Base Prospectus, including in particular the following risk factors detailed below. The Issuer believes that the factors described below represent the principal risks inherent in investing in Notes issued under the Programme. Prospective investors should make their own independent evaluation of all risks and should also read the detailed information set out elsewhere in this Base Prospectus, including any Documents Incorporated by Reference herein (as further described in "Documents Incorporated by Reference" below), and reach their own views prior to making any investment decision. There may be other risks which are not known to the Issuer or which may not be material now but could turn out to be material.

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

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

Terms defined in the "Terms and Conditions of the Notes" shall have the same meanings where used below.

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

RISK FACTORS RELATING TO THE ISSUER

The risk factors relating to the Issuer are set out in particular in pages 21, 56, 58, 61, 120 to 127, 158, 224 and 246 to 253 of the 2018 Registration Document of the Issuer for the year ended 31 December 2018 incorporated by reference into this Base Prospectus, as set out in the section "Documents Incorporated by Reference" of this Base Prospectus.

RISK FACTORS RELATING TO THE NOTES

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

Independent review and advice

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

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

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:

- have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its own financial situation, an investment in the Notes and the impact that any such investment will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear the risks of an investment in the Notes, including any currency exchange risk due to the fact that the potential investor's currency is not Euro;
- understand thoroughly the terms of the Notes and be familiar with the behaviour of the financial markets and any relevant indices;
- 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 risks of such investment; and
- consult its own advisers as to legal, tax and related aspects of an investment in the Notes.

The Terms and Conditions of the Notes permit modifications, waivers and substitutions binding on all Noteholders to be effected by defined majorities of Noteholders

The Terms and Conditions of the Notes contain provisions for calling General Meetings of holders or consulting them by way of a resolution in writing to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant General Meeting or who did not vote through the relevant written consultation and Noteholders who voted in a manner contrary to the majority in accordance with Article L. 228-65 of the French *Code de commerce*.

Risks related to the structure of a particular issue of Notes

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of the most common among such features:

The Notes may be redeemed prior to maturity for tax reasons.

In the event that the Issuer would be obliged to increase the amounts payable in respect of any Notes due to any 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 authority therein or thereof having power to tax, the Issuer may, and in certain circumstances must, redeem all outstanding Notes in accordance with the "Terms and Conditions of the Notes".

The Notes may be redeemed prior to maturity at the option of the Issuer, if provided for in any Final Terms for a particular issue of Notes.

The Final Terms for a particular issue of Notes may provide for early redemption at the option of the Issuer. Such right of early redemption is often provided for bonds or notes in periods of high interest rates. If the market interest rates decrease, the risk to holders of Notes that the Issuer will exercise its right of termination increases. As a consequence, the yields received upon redemption may be lower than expected, and the redeemed face amount of the Notes may be lower than the purchase price for the Notes paid by such holder. As a consequence, part of the capital invested by the holder of Notes may be lost, so that such holder in such case would not receive the total amount of the capital invested. In addition, investors that choose to reinvest monies they receive through an early redemption may be able to do so only in securities with a lower yield than the redeemed Notes.

Any optional redemption feature where the Issuer is given the right to redeem the Notes early might negatively affect the market value of such Notes. During any period when the Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This

also may be true prior to any redemption period. Furthermore, since the Issuer may be expected to redeem the Notes when prevailing interest rates are relatively low, an investor might not be able to reinvest the redemption proceeds at an effective interest rate as high as the return that would have been received on such Notes had they not been redeemed.

In particular, with respect to the Clean-Up Call Option at the option of the Issuer (Condition 6(c)(iv)), there is no obligation on the Issuer to inform investors if and when the 80 per cent. threshold referred to therein has been reached or is about to be reached, and the Issuer's right to redeem will exist notwithstanding that immediately prior to the serving of a notice in respect of the exercise of the Clean-Up Call Option at the option of the Issuer the Notes may have been trading significantly above par, thus potentially resulting in a loss of capital invested.

Interest rate risk on the Notes

Investment in the Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Notes.

Notes issued on a substantial discount or premium

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

Risks relating to Renminbi-denominated Notes

Notes denominated in Renminbi ("**Renminbi Notes**") may be issued under the Programme. Renminbi Notes contain particular risks for potential investors, including the following:

*Renminbi is not freely convertible and there are significant restrictions on remittance of Renminbi into and out of the People's Republic of China (the "**PRC**") which may adversely affect the liquidity of Renminbi Notes*

Renminbi is not freely convertible at present. The government of the PRC (the "**PRC Government**") continues to regulate conversion between Renminbi and foreign currencies, including the Hong Kong dollar.

However, there has been significant reduction in control by the PRC Government in recent years, particularly over trade transactions involving import and export of goods and services as well as other frequent routine foreign exchange transactions. These transactions are known as current account items.

On the other hand, remittance of Renminbi into and out of the PRC for the settlement of capital account items, such as capital contributions, debt financing and securities investment, is generally only permitted upon obtaining specific approvals from, or completing specific registrations or filings with, the relevant authorities on a case-by-case basis and is subject to a strict monitoring system. Regulations in the PRC on the remittance of Renminbi into and out of the PRC for settlement of capital account items are being developed.

Although Renminbi was added to the Special Drawing Rights basket created by the International Monetary Fund in 2016 and policies further improving accessibility to Renminbi to settle cross-border transactions in foreign currencies were implemented by the People's Bank of China ("**PBoC**") in 2018, there is no assurance that the PRC Government will continue to gradually liberalise control over cross-border remittance of Renminbi in the future, that the schemes for Renminbi cross-border utilisation will not be discontinued or that new regulations in the PRC will not be promulgated in the future which have the effect of restricting or eliminating the remittance of Renminbi into or out of the PRC. Despite Renminbi internationalisation pilot programmes and efforts in recent years to internationalise the currency, there can be no assurance that the PRC Government will not impose interim or longterm restrictions on the cross-border remittance of Renminbi. In the event that funds cannot be repatriated out of the PRC in Renminbi, this may affect the overall availability of Renminbi outside the PRC and the ability of the Issuer to source Renminbi to finance its obligations under Notes denominated in Renminbi.

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

As a result of the restrictions by the PRC Government on cross-border Renminbi fund flows, the availability of Renminbi outside the PRC is limited. While the PBoC has entered into agreements (the "**Settlement Arrangements**") on the clearing of Renminbi business with financial institutions in a number of financial centres and cities (the "**Renminbi Clearing Banks**"), including but not limited to Hong Kong, has established the Cross-Border Interbank Payments System (CIPS) to facilitate cross-border Renminbi settlement, and is further in the process of establishing Renminbi clearing and settlement mechanisms in several other jurisdictions, the current size of Renminbi denominated financial assets outside the PRC is limited.

There are restrictions imposed by the PBoC on Renminbi business participating banks in respect of cross-border Renminbi settlement, such as those relating to direct transactions with PRC enterprises. Furthermore, Renminbi business participating banks do not have direct Renminbi liquidity support from the PBoC, although the PBoC has gradually allowed participating banks to access the PRC's onshore inter-bank market for the purchase and sale of Renminbi. The Renminbi Clearing Banks only have limited access to onshore liquidity support from the PBoC for the purpose of squaring open positions of participating banks for limited types of transactions and are not obliged to square for participating banks any open positions resulting from other foreign exchange transactions or conversion services. In cases where the participating banks cannot source sufficient Renminbi through the above channels, they will need to source Renminbi from outside the PRC to square such open positions.

Although it is expected that the offshore Renminbi market will continue to grow in depth and size, its growth is subject to many constraints as a result of PRC laws and regulations on foreign exchange. There is no assurance that new PRC regulations will not be promulgated or the Settlement Arrangements will not be terminated or amended in the future which will have the effect of restricting availability of Renminbi outside the PRC. The limited availability of Renminbi outside the PRC may affect the liquidity of the Renminbi Notes. To the extent the Issuer is required to source Renminbi in the offshore market to service its Renminbi Notes, there is no assurance that the Issuer will be able to source such Renminbi on satisfactory terms, if at all.

Renminbi Notes issued under the Programme may only be held in Euroclear France, Euroclear and Clearstream

Noteholders may only hold Renminbi Notes if they have an account with Euroclear France or maintained with an Account Holder which itself has an account with Euroclear France (which include Euroclear and Clearstream).

Investment in Renminbi Notes is subject to exchange rate risks

The value of Renminbi against other foreign currencies fluctuates from time to time and is affected by changes in the PRC and international political and economic conditions as well as many other factors. Recently, the PBoC implemented changes to the way it calculates the Renminbi's daily mid-point against the U.S. dollar to take into account market-maker quotes before announcing such daily mid-point. This change, and others that may be implemented, may increase the volatility in the value of the Renminbi against foreign currencies. All payments of interest and principal will be made in Renminbi with respect to Renminbi Notes unless otherwise specified. As a result, the value of these Renminbi payments may vary with the changes in the prevailing exchange rates in the marketplace. If the value of Renminbi depreciates against another foreign currency, the value of the investment made by a holder of the Renminbi Notes in that foreign currency will decline.

Investment in Renminbi Notes is also subject to interest rate risks

The PRC Government has gradually liberalised its regulation of interest rates in recent years. Further liberalisation may increase interest rate volatility. In addition, the interest rate for Renminbi in markets outside the PRC may significantly deviate from the interest rate for Renminbi in the PRC as a result of foreign exchange controls imposed by PRC law and regulations and prevailing market conditions.

As Renminbi Notes may carry a fixed interest rate, the trading price of the Renminbi Notes will consequently vary with the fluctuations in the Renminbi interest rates. If holders of the Renminbi Notes propose to sell their Renminbi Notes before their maturity, they may receive an offer lower than the amount they have invested.

Investment in Renminbi Notes is subject to currency risks

If the Issuer is not able, or it is impracticable for it, to satisfy its obligation to pay interest and principal on the Renminbi Notes as a result of Inconvertibility, Non-transferability or Illiquidity (each, as defined in the Conditions), the Issuer shall be entitled, on giving not less than five (5) or more than thirty (30) calendar days' irrevocable notice to the investors prior to the due date for payment, to settle any such payment in U.S. Dollars

on the due date at the U.S. Dollar Equivalent (as defined in the Conditions) of any such interest or principal, as the case may be.

Development in other markets may adversely affect the market price of any Renminbi Notes

The market price of Renminbi Notes may be adversely affected by declines in the international financial markets and world economic conditions. The market for Renminbi denominated securities is, to varying degrees, influenced by economic and market conditions in other markets, especially those in Asia. Although economic conditions are different in each country, investors' reactions to developments in one country can affect the securities markets and the securities of issuers in other countries, including the PRC. Since the sub-prime mortgage crisis in 2008, the international financial markets have experienced significant volatility. Should similar developments occur in the international financial markets in the future, the market price of Renminbi Notes could be adversely affected.

Payments with respect to the Renminbi Notes may be made only in the manner designated in the Renminbi Notes

All payments to investors in respect of the Renminbi Notes will be made solely by transfer to a Renminbi bank account maintained in Hong Kong in accordance with the prevailing rules and regulations for such transfer and in accordance with the terms and conditions of the Renminbi Notes. The Issuer cannot be required to make payment by any other means (including in any other currency in bank notes, by cheque or draft or by transfer to a bank account in the PRC).

Gains on the transfer of the Renminbi Notes may become subject to income taxes under PRC tax laws

Under the *PRC Enterprise Income Tax Law*, the *PRC Individual Income Tax Law* and the relevant implementing rules, as amended from time to time, any gain realised on the transfer of Renminbi Notes by non-PRC resident enterprise or individual Holders may be subject to PRC enterprise income tax ("**EIT**") or PRC individual income tax ("**IIT**") if such gain is regarded as income derived from sources within the PRC. The *PRC Enterprise Income Tax Law* levies EIT at the rate of 20 per cent. of the PRC-sourced gains derived by such non-PRC resident enterprise from the transfer of Renminbi Notes but its implementation rules have reduced the EIT rate to 10 per cent. The *PRC Individual Income Tax Law* levies IIT at a rate of 20 per cent. of the PRC-sourced gains derived by such non-PRC resident or individual Holder from the transfer of Renminbi Notes.

However, uncertainty remains as to whether the gain realised from the transfer of Renminbi Notes by non-PRC resident enterprise or individual holders would be treated as income derived from sources within the PRC and thus become subject to EIT or IIT. This will depend on how the PRC tax authorities interpret, apply or enforce the *PRC Enterprise Income Tax Law*, the *PRC Individual Income Tax Law* and the relevant implementing rules. According to the arrangement between the PRC and Hong Kong, for avoidance of double taxation, holders who are residents of Hong Kong, including enterprise holders and individual holders, will not be subject to EIT or IIT on capital gains derived from a sale or exchange of the Notes.

Therefore, if enterprise or individual resident holders which are non-PRC residents are required to pay PRC income tax on gains derived from the transfer of Renminbi Notes, unless there is an applicable tax treaty between PRC and the jurisdiction in which such non-PRC enterprise or individual holders of Renminbi Notes reside that reduces or exempts the relevant EIT or IIT, the value of their investment in Renminbi Notes may be materially and adversely affected.

Risks related to the market generally

Set out below is a description of the principal market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

An active trading market for the Notes may not develop

There can be no assurance that an active trading market for the Notes will develop, or, if one does develop, that it will be maintained. If an active trading market for the Notes does not develop or is not maintained, the liquidity and the market or trading price of the Notes may be adversely affected. The Issuer is entitled to buy the Notes, as described in Condition 6(h), and the Issuer may issue further notes, as described in Condition 13. Such transactions may favourably 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 Notes.

The trading market for the Notes may be volatile and may be adversely impacted by many events

The market for debt securities is influenced by economic and market conditions and, to varying degrees, market conditions, interest rates, currency exchange rates and inflation rates in other European and other industrialised countries. There can be no assurance that events in France, Europe or elsewhere will not cause market volatility or that such volatility will not adversely affect the price of the Notes or that economic and market conditions will not have any other adverse effect.

Exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Notes in the Specified Currency (as defined in "Terms and Conditions of the Notes – Interest and other Calculations"). This presents certain risk 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 rate may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency-equivalent yield on the Notes, (2) the Investor's Currency-equivalent value of the principal payable on the Notes and (3) the Investor's Currency-equivalent market value of the Notes.

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

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

A key difference between Floating Rate Notes and Fixed Rate Notes is that interest income on Floating Rate Notes cannot be anticipated. Due to varying interest income, investors are not able to determine a definite yield of Floating Rate Notes at the time they purchase them, so that their return on investment cannot be compared with that of investments having longer fixed interest periods. If the Terms and Conditions of the Notes provide for frequent interest payment dates, investors are exposed to reinvestment risk if market interest rates decline. That is, investors may reinvest the interest income paid to them only at the relevant lower interest rates then prevailing.

Zero Coupon Notes are subject to higher price fluctuations than non-discounted notes

Changes in market interest rates have a substantially stronger impact on the prices of Zero Coupon Notes than on the prices of ordinary notes because the discounted issues prices are substantially below par. If market interest rates increase, Zero Coupon Notes can suffer higher prices losses than other notes having the same maturity and credit rating. Due to their leverage effect, Zero Coupon Notes are a type of investment associated with a particularly high price risk.

Credit ratings may not reflect all risks

One or more independent credit rating agencies may assign credit ratings to the Notes and/or the Issuer. The ratings made by credit rating agencies may not reflect the potential impact of all risks related to structure, market, 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 suspended, revised or withdrawn by the rating agency at any time, without notice.

Legal investment considerations may restrict certain investments

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions,

insurance companies and other regulated entities should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

A Noteholder's actual yield on the Notes may be reduced from the stated yield by transaction costs.

When Notes are purchased or sold, several types of incidental costs (including transaction fees and commissions) are incurred in addition to the current price of the security. These incidental costs may significantly reduce or even exclude the profit potential of the Notes. For instance, credit institutions as a rule charge their clients for their own commissions which are either fixed minimum commissions or pro-rata commissions depending on the order value. To the extent that additional – domestic or foreign – parties are involved in the execution of an order, including but not limited to domestic dealers or brokers in foreign markets, Noteholders must take into account that they may also be charged for the brokerage fees, commissions and other fees and expenses of such parties (third party costs).

In addition to such costs directly related to the purchase of securities (direct costs), Noteholders must also take into account any follow-up costs (such as custody fees). Investors should inform themselves about any additional costs incurred in connection with the purchase, custody or sale of the Notes before investing in the Notes.

Conflicts may arise between the interests of the Issuer, the Dealer(s) or the Calculation Agent and the interests of the holders of Notes

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

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

Potential conflicts of interest may arise between the Calculation Agent, if any, for a Tranche of Notes and the holders of such Notes, including with respect to certain discretionary determinations and judgments that such Calculation Agent may make pursuant to the Terms and Conditions of the Notes that may influence the amount receivable upon redemption of the Notes.

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

Payments of interest on the Notes, or profits realised by the holder upon the sale or repayment of the Notes, may be subject to taxation in its home jurisdiction or in other jurisdictions in which it is required to pay taxes. The tax impact on holders generally in France is described under "Terms and Conditions - Taxation" and "Taxation"; however, the tax impact on an individual holder may differ from the situation described for holders generally. The Issuer advises all investors to contact their own tax advisers for advice on the tax impact of an investment in the Notes.

Market value of the Notes

The market value of the Notes will be affected by the creditworthiness of the Issuer and/or that of the Group on a consolidated basis and a number of additional factors, including, but not limited to, the volatility of the dividend on the securities taken up in the index, market interest and yield rates and the time remaining to the Maturity Date.

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

A credit rating reduction may result in a reduction in the trading value of Notes

The value of the Notes is expected to be affected, in part, by investors' general appraisal of the creditworthiness of the Issuer. Such perceptions are generally influenced by the ratings accorded to the outstanding Notes of the Issuer by standard statistical rating services, such as Moody's Deutschland GmbH, Standard & Poor's Ratings Services, a division of The McGraw Hill Companies, Inc. and Fitch Ratings Ltd. A reduction in, or a placing on credit watch of the rating, if any, accorded to outstanding debt securities of the Issuer by one of these or other rating agencies could result in a reduction in the trading value of the Notes. Whether or not each credit rating applied for in relation to a relevant Series of Notes will be issued by a credit rating agency established in the European Union and registered under the CRA Regulation will be disclosed in the Final Terms.

Risks related to the Notes generally

No voting rights

The Notes do not give the holders the right to vote at meetings of the shareholders of the Issuer.

No limitation on issuing debt

There is no restriction in the Notes on the amount of debt which the Issuer may incur. Any such further debt may reduce the amount recoverable by the holders of Notes upon liquidation or insolvency of the Issuer.

Legality of purchase

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

Change of law

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

French Insolvency Law

Under French insolvency law as amended by ordinance no. 2008-1345 dated 18 December 2008 which came into force on 15 February 2009 and related order no. 2009-160 dated 12 February 2009 and law no. 2010-1249 dated 22 October 2010 which came into force on 1 March 2011 and related order no. 2011-236 dated 3 March 2011 and ordinance no. 2014-326 dated 12 March 2014 which came into force on 1 July 2014, holders of debt securities are automatically grouped into a single assembly of holders (the "**Assembly**") in order to defend their common interests if a safeguard procedure (*procédure de sauvegarde*), an accelerated safeguard procedure (*procédure de sauvegarde accélérée*) or an accelerated financial safeguard procedure (*procédure de sauvegarde financière accélérée*) or a judicial reorganisation procedure (*procédure de redressement judiciaire*) is opened in France with respect to the Issuer.

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

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

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

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

For the avoidance of doubt, the provisions relating to the Meetings of the Noteholders described in the Terms and Conditions of the Notes set out in this Base Prospectus will not be applicable to the extent they are not in compliance with compulsory insolvency law provisions that apply in these circumstances.

Taxation

Potential purchasers and sellers of the Notes should be aware that they may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Notes are transferred or other jurisdictions, or in accordance with any applicable double tax treaty. Payments of interest on the Notes, or profits realised by the holder upon the sale or repayment of the Notes, may be subject to taxation in its home jurisdiction or in other jurisdictions in which it is required to pay taxes. Potential investors are advised not to rely upon the tax overview contained in this Base Prospectus and any supplement thereto that may be published from time to time but to ask for their own tax adviser's advice on their individual taxation with respect to the acquisition, sale and redemption of the Notes. Only these advisers are in a position to duly consider the specific situation of the potential investor. This paragraph has to be read in conjunction with the taxation section of this Base Prospectus.

The proposed financial transaction tax

On 14 February 2013, the European Commission adopted a proposal for a directive on the financial transaction tax (hereafter "**FTT**") to be implemented under the enhanced cooperation procedure by eleven Member States initially (Austria, Belgium, Estonia, France, Germany, Greece, Italy, Portugal, Slovenia, Slovakia and Spain; the "**Participating Member States**"). Member States may join or leave the group of Participating Member States at later stages. Estonia has since stated that it will not participate. The proposal will be negotiated by Member States, and, subject to an agreement being reached by the Participating Member States, a final directive will be enacted. The Participating Member State will then implement the directive in local legislation. If the proposed directive is adopted and implemented in local legislation, Noteholders may be exposed to increased transaction costs with respect to financial transactions carried out with respect to the Notes.

The FTT proposal remains subject to negotiation between the Participating Member States and the scope of any such tax is uncertain. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate. Prospective holders of the Notes should consult their own tax advisers in relation to the consequences of the FTT associated with subscribing for, purchasing, holding and disposing of the Notes.

In certain circumstances Noteholders may be subject to U.S. withholding tax

The United States has enacted rules, commonly referred to as "FATCA," that generally impose a new reporting and withholding regime with respect to certain payments made by entities that are classified as financial institutions under FATCA. The United States has also entered into an intergovernmental agreement regarding the implementation of FATCA with France (the "**IGA**"). Imerys does not expect payments made on or with respect to the Notes to be subject to withholding under FATCA. However, significant aspects of when and how FATCA will apply remain unclear, and no assurance can be given that withholding under FATCA will not become relevant with respect to payments made on or with respect to the Notes in the future. Any such withholding would not apply before 1 January 2019. Also, Notes issued prior to the six-month anniversary after the final regulations that define the term "foreign pass thru payment" which are filed with the U.S. Federal Register and are classified as debt for U.S. federal income tax purposes, are generally exempt from these rules.

In the event that any withholding is imposed because of FATCA, the Issuer will have no obligation to make additional payments in respect of such withholding.

Risks related to Notes which are linked to "benchmarks".

The London Interbank Offered Rate ("**LIBOR**"), the Euro Interbank Offered Rate ("**EURIBOR**"), the Euro Constant Maturity Swap ("**EUR CMS**") and other indices which are deemed to be "benchmarks" are the subject of recent national, international and other regulatory guidance and proposals for reform. Some of these reforms are already effective while others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, or to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Notes (including the value and/or liquidity thereof and/or the return thereon) linked to such a "benchmark".

Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (the "**Benchmarks Regulation**") entered into force on 30 June 2016 with the majority of its provisions applying from 1 January 2018. 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 EU. It will, among other things, (i) require benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevent certain uses by EU supervised entities of benchmarks of administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent or recognised or endorsed).

The scope of the Benchmarks Regulation is wide and, in addition to so-called "critical benchmark" indices, applies to many interest rate and foreign exchange rate indices, equity indices and other indices (including "proprietary" indices or strategies) where used to determine the amount payable under or the value or performance of certain financial instruments traded on a trading venue or via a systematic internaliser, financial contracts and investment funds.

The Benchmarks Regulation could have a material impact on any Floating Rate Notes linked to a rate or index deemed to be a "benchmark", in particular:

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

Either of the above could potentially lead to the Floating Rate Notes being de-listed, adjusted or redeemed early or otherwise impacted depending on the particular "benchmark" and the applicable terms of the Floating Rate Notes or have other adverse effects or unforeseen consequences.

More broadly, any of the international, national or other proposals for reform, or the general increased regulatory scrutiny of "benchmarks", could increase the costs and risks of administering or otherwise participating in the setting of a "benchmark" and complying with any such regulations or requirements.

Such factors may have the following effects on certain "benchmarks": (i) discourage market participants from continuing to administer or contribute to such "benchmark"; (ii) trigger changes in the rules or methodologies used in the "benchmarks" or (iii) lead 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 value of and return on any Floating Rate Notes linked to a "benchmark".

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

On 27 July 2017, the Chief Executive of the UK Financial Conduct Authority, which regulates LIBOR, announced that it intends to stop persuading or compelling banks to submit rates for the calculation of LIBOR after 2021 (the "**FCA Announcement**"). The FCA Announcement indicates that the continuation of LIBOR on the current basis cannot and will not be guaranteed after 2021. The potential elimination of the LIBOR benchmark or any other benchmark, or changes in the manner of administration of any benchmark, could require an adjustment to the terms and conditions of outstanding Floating Rate Notes of any Series, which may require adjustments to the Terms and Conditions, or result in other consequences, in respect of any Floating Rate Notes linked to such benchmark (including but not limited to Floating Rate Notes whose interest rates are linked to LIBOR). Any such consequence could have a material adverse effect on the value of and return on any such Floating Rate Notes.

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

Pursuant to the Terms and Conditions of any Floating Rate Notes to be determined in accordance with a Screen Rate Determination, if the Issuer (in consultation with the Calculation Agent) determines at any time prior to any Interest Determination Date (as defined in the Conditions) that a Benchmark Event (as described in the Conditions) has occurred, the Issuer shall appoint an agent (the "**Relevant Rate Determination Agent**"), which will (i) use the substitute rate or successor rate selected by the central bank, reserve bank, monetary authority or any similar institution (including any committee or working group thereof) in the jurisdiction of the Specified Currency specified in the relevant Final Terms that is consistent with industry accepted standards or (ii) if no such public selection has occurred, determine a substitute rate or successor rate which is substantially comparable to the Relevant Rate and is an industry accepted successor rate (the "**Replacement Relevant Rate**").

If the Relevant Rate Determination Agent determines that there is a Replacement Relevant Rate it will be final and binding on the Issuer, the Calculation Agent and the Noteholders and each Noteholder shall be deemed to have accepted the Replacement Relevant Rate and the related Benchmark Amendments (as defined in the Conditions), unless the Relevant Rate Determination Agent determines at a later date that the Replacement Relevant Rate is no longer substantially comparable to the Relevant Rate or does not constitute an industry accepted successor rate, in which case the Issuer shall appoint a new or re-appoint the previous Relevant Rate Determination Agent for the purpose of confirming the Replacement Relevant Rate or determining a substitute Replacement Relevant Rate in an identical manner as described above. If the newly appointed or reappointed Relevant Rate Determination Agent is unable to or otherwise does not determine a substitute Replacement Relevant Rate, then the Replacement Relevant Rate will remain unchanged.

If a Relevant Rate Determination Agent is appointed by the Issuer but for any reason a Replacement Relevant Rate has not been determined, the Issuer may decide that no Replacement Relevant Rate or any other successor, replacement or alternative benchmark or screen rate will be adopted and the Relevant Rate for the relevant Interest Period (as defined in the Conditions) in such case will be equal to the last Relevant Rate available on the Relevant Screen Page (as specified in the relevant Final Terms) as determined by the Calculation Agent, effectively converting such Floating Rate Notes into Fixed Rate Notes.

The Replacement Relevant 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, the replacement rate may perform differently from the discontinued benchmark. This could significantly affect the performance of an alternative rate compared to the historical and expected performance of the relevant benchmark. There can be no assurance that any adjustment factor applied to any Series of Floating Rate Notes will adequately compensate for this impact. This could in turn impact the rate of

interest on, and trading value of, the affected Floating Rate Notes. Moreover, any holders of such Floating Rate Notes that enter into hedging instruments based on the Relevant Screen Page may find their hedges to be ineffective, and they may incur costs replacing such hedges with instruments tied to the Replacement Relevant Rate.

PERSONS RESPONSIBLE FOR THE INFORMATION GIVEN IN THE BASE PROSPECTUS

The Issuer accepts responsibility for the information contained in this Base Prospectus or incorporated by reference. The Issuer declares, having taken all reasonable care to ensure that such is the case, that to the best of the knowledge of the Issuer, the information contained in this Base Prospectus or incorporated by reference is in accordance with the facts and contains no omission likely to affect its import.

Imerys

43, quai de Grenelle

75015 Paris

France

Duly represented by:

Olivier Pirotte

Chief Financial Officer

GENERAL DESCRIPTION OF THE PROGRAMME

The following general description of the Programme does not purport to be complete and is taken from, and is qualified in its entirety by the remainder of this Base Prospectus and, in relation to the terms and conditions of any particular Tranche of Notes, the applicable Final Terms. This General Description constitutes a general description of the Programme for the purposes of Article 22.5(3) of the Commission Regulation (EC) No 809/2004, as amended or superseded, implementing the Prospectus Directive. The Notes will be issued on such terms as shall be agreed between the Issuer and the relevant Dealer(s) and will be subject to the Terms and Conditions of the Notes set out in this Base Prospectus as completed by the applicable Final Terms. Words and expressions defined in the Terms and Conditions of the Notes below shall have the same meanings in this general description of the Programme.

Issuer:	Imerys
Description:	Under the Euro Medium Term Note Programme (the " Programme "), the Issuer, subject to compliance with all relevant laws, regulations and directives, may from time to time issue notes (the " Notes ").
Arrangers:	BNP Paribas Natixis
Dealers:	BNP Paribas Crédit Industriel et Commercial S.A Commerzbank Aktiengesellschaft HSBC Bank plc ING Bank N.V. Belgian Branch MUFG Securities (Europe) N.V. Natixis RBC Europe Limited Société Générale

The Issuer may from time to time terminate the appointment of any dealer under the Programme or appoint additional dealers either in respect of one or more Tranches or in respect of the whole Programme. References in this Base Prospectus to "**Permanent Dealers**" are to the persons listed above as Dealers and to such additional persons that are appointed as dealers in respect of the whole Programme (and whose appointment has not been terminated) and to "**Dealers**" are to all Permanent Dealers and all persons appointed as a dealer in respect of one or more Tranches.

Risk Factors:

There are certain factors that may affect the Issuer's ability to fulfil its obligations under Notes issued under the Programme. These are set out on pages 21, 56, 58, 61, 120 to 127, 158, 224 and 246 to 253 of the *Document de référence* in the French language filed with the AMF on 20 March 2019 under n° D.19-0175 (the "**2018 Registration Document**"). In addition, there are certain factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme. See section "*Risk Factors*".

Certain Restrictions:

Each issue of Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time including the following restrictions applicable at the date of this Base Prospectus. See "*Subscription and Sale*".

Programme Limit:

Up to €3,000,000,000 (or its equivalent in other currencies as at the date of issue) aggregate nominal amount of Notes outstanding at any one time. The principal amount of Notes outstanding under the Programme may be increased, as provided in the amended and restated dealer agreement dated 24 June 2019 between the Issuer, the Permanent Dealers and the Arrangers and shall involve the preparation of a supplement in accordance with Article 16 of the Prospectus Directive.

Fiscal Agent and Principal Paying Agent:

BNP Paribas Securities Services

Paying Agent:

BNP Paribas Securities Services

Method of Issue:

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

Maturities:

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

Currencies:

Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in Euro, U.S. Dollars, Japanese yen, Swiss francs, Sterling, Renminbi and in any other currency agreed between the Issuer and the relevant Dealer(s).

Denomination(s):

Notes will be in such denomination(s) as specified in the relevant Final Terms save that the minimum denomination of each Note admitted to trading on a Regulated Market within the European Economic Area requiring the publication of a prospectus under the Prospectus Directive will be no less than €100,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency).

In addition, Notes (including Notes denominated in Sterling) which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the Financial Services and Markets Act 2000, as amended ("**FSMA**") will have a minimum denomination of £100,000 (or its equivalent in other currencies as at the date of issue).

Dematerialised Notes will be issued in one denomination only.

Status of the Notes:

The Notes ("Notes") will constitute direct, unconditional, unsubordinated and (subject to the provisions of Condition 4) unsecured obligations of the Issuer and will rank *pari passu* among themselves and (save for certain obligations required to be preferred by French law) equally and rateably with all other present or future unsecured and unsubordinated obligations of the Issuer, from time to time outstanding.

Negative Pledge:

There will be a negative pledge in respect of Notes as set out in Condition 4.

Events of Default:

There will be Events of Default and a cross-default in respect of the Notes as set out in Condition 9(a).

Redemption Amount:

The Final Terms relating to each Tranche of Notes will indicate either that the Notes of such Tranche cannot be redeemed prior to their stated maturity (other than for taxation reasons, if it becomes unlawful for the Issuer to perform or comply with one or more of its obligations under the Notes or that the Notes are purchased or cancelled by the Issuer) or that such Notes will be redeemable at the option of the Issuer and/or the Noteholders, upon giving not less than fifteen (15) nor more than thirty (30) calendar days' notice (or such other notice period as may be specified in the relevant Final Terms) to the Noteholders or the Issuer on a date or dates specified prior to such stated maturity and at a price or prices and on such terms as are indicated in the relevant Final Terms.

Each Note shall be redeemed on the Maturity Date specified in the relevant Final Terms at its Final Redemption Amount (which is its nominal amount) or, in the case of a Note to be redeemed by instalments, its final Instalment Amount, with the aggregate amount of all Instalment Amounts being equal to the nominal amount of each Note.

Unless permitted by then current laws and regulations, Notes (including Notes denominated in sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the FSMA must have a minimum redemption amount of £100,000 (or its equivalent in other currencies as at the date of issue), unless such Notes may not be redeemed until the first anniversary of their date of issue.

Optional Redemption:

The Final Terms issued in respect of each issue of Notes will state whether such Notes may be redeemed prior to their stated maturity at the option of the Issuer (either in whole or in part) and/or the holders and if so the terms applicable to such redemption.

Early Redemption:

Except as provided in "Optional Redemption" above, "Make-Whole Redemption by the Issuer" below and "Clean-Up Call Option" below, Notes may be redeemable at the option of the Issuer prior to maturity only for tax reasons. See "Terms and Conditions of the Notes - Redemption, Purchase and Options".

Redemption by Instalments:

The Final Terms issued in respect of each issue of Notes that are redeemable in two or more instalments will set out the dates on which, and the amounts in which, such Notes may be redeemed.

Make-Whole Redemption by the Issuer:

If so specified in the relevant Final Terms, in respect of any issue of Notes, the Issuer will have the option to redeem the Notes, in whole or in part, at any time or from time to time, prior to their Maturity Date at the relevant Make-Whole Redemption Amount.

Clean-Up Call Option:

If so specified in the relevant Final Terms, in respect of any issue of Notes, in the event that at least 80 per cent. of the initial aggregate principal amount of the Notes has been purchased and cancelled by the Issuer, the Issuer will have the option to redeem all, but not some only, of the Notes.

Taxation:

1. All payments of principal and interest by or on behalf of the Issuer in respect of the Notes shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within France or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law.
2. Notes will fall under the French withholding tax regime pursuant to Article 125 A III of the French *Code général des impôts*. Payments of interest and other revenues made by the Issuer with respect to the Notes will not be subject to the withholding tax set out under Article 125 A III of the French *Code général des impôts* unless such payments are made outside France to individuals or entities domiciled or established in a non-cooperative State or territory (*Etat ou territoire non-coopératif*) within the meaning of Article 238-0 A of the French *Code général des impôts* (a "**Non-Cooperative State**") or paid in a bank account opened in a financial institution located in a Non-Cooperative State. If such payments under the Notes are made in a Non-Cooperative State, a 75% withholding tax will be applicable (subject to (where relevant) certain exceptions summarised below and the more favourable provisions of any applicable double tax treaty) by virtue of Article 125 A III of the French *Code général des impôts*, unless this Non-Cooperative State is referred to in Article 238-0 A-2 bis 2° of the French *Code général des impôts*.

Notwithstanding the foregoing, Article 125 A III of the French *Code général des impôts* provides that the 75% withholding tax will not apply in respect of a particular issue of Notes if the Issuer can prove that the principal purpose and effect of such issue of Notes were not that of allowing the payments of interest or other revenues to be made in a Non-Cooperative State (the "**Exception**"). Pursuant to the official regulation published by French tax authorities on 11 February 2014 (Bulletin Officiel des Finances Publiques – Impôts – BOI-INT-DG-20-50-20140211, Section n°990), an issue of Notes will benefit from the Exception without the Issuer having to provide any proof of the purpose and effect of the issue of Notes, if such Notes are:

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

Furthermore, by virtue of Article 238 A of the French *Code général des impôts*, interest and other income paid by or on behalf of the Issuer with respect to such Notes may no longer be deductible from the Issuer's taxable income if they are (i) paid or accrued to persons established or domiciled in a State or territory where they benefit from a preferential tax regime under the meaning of Article 238 A of the French *Code général des impôts* or in a Non-Cooperative State or (ii) paid to a bank account opened in a financial institution located in a State or territory where it benefits from a preferential tax regime under the meaning of Article 238 A of the French *Code général des impôts* or in a Non-Cooperative State. Under certain conditions, any such non-

deductible interest and other income may be recharacterised as deemed distributed income pursuant to Articles 109 *et seq.* of the French *Code général des impôts*, in which case such non-deductible interest and other income may be subject to the withholding tax set out under Article 119 *bis* 2 of the French *Code général des impôts*, at a rate of (i) 12.8% for payments benefitting to individuals who are not fiscally domiciled (*domiciliés fiscalement*) in France, (ii) 30% until 31 December 2019, 28% as from 1 January 2020, 26.5% as from 1 January 2021, 25% as from 1 January 2022 for payments benefitting to legal persons which are not fiscally domiciled (*domiciliés fiscalement*) in France, (iii) 75% for payments made in a Non-Cooperative State unless this Non-Cooperative State is referred to in Article 238-0 A-2 *bis* 2° of the French *Code général des impôts*, and subject in any case to the more favourable provisions of any applicable double tax treaty.

However, with respect to interest and other revenues paid under the Notes to persons domiciled or established in a State or territory where they benefit from a preferential tax regime or paid in a bank account opened in a financial institution located in a State or territory where it benefits from a preferential tax regime, neither the non-deductibility set out under Article 238 A of the French *Code général des impôts* nor the withholding tax set out under article 119 *bis* 2 of the same code will apply if the Issuer can prove that the relevant interest or revenues relate to genuine transactions and are not in an abnormal or exaggerated amount.

Furthermore, with respect to interest and other revenues paid under the Notes to persons domiciled or established in a Non-Cooperative State or paid in a bank account opened in a financial institution located in a Non-Cooperative State, neither the non-deductibility set out under article 238 A of the French *Code général des impôts* (as further specified by the official regulation (*Bulletin Officiel des Finances Publiques – Impôts* published by French tax authorities on 11 February 2014, BOI-INT-DG-20-50-20140211, Section n°550) nor the withholding tax set out in article 119 *bis* 2 of the French *Code général des impôts* will apply in respect of the issue of Notes if the Issuer can prove that (i) it can benefit from the Exception and (ii) the relevant interest or revenues relate to genuine transactions and are not an abnormal or exaggerated amount. Pursuant to the official guidelines published by French tax authorities on 11 February 2014 (*Bulletin Officiel des Finances Publiques – Impôts – BOI-INT-DG-20-50-20140211, Section n°550*), an issue of Notes will benefit from the Exception without the Issuer having to provide any proof of the purpose and effect of the issue of the Notes, if such Notes qualify to one of the three above-mentioned classifications.

Payments made to French resident individuals

Pursuant to Articles 125 A and 125 D of the French *Code général des impôts* subject to certain limited exceptions, interest and similar revenues received by individuals who are fiscally domiciled (*domiciliés fiscalement*) in France are subject to a 12.8% mandatory withholding tax, along with social contributions withheld at source at an aggregate of 17.2% (CSG, CRDS and other related contributions) i.e an overall withholding tax rate of 30% (*le prélèvement forfaitaire unique*). The 12.8% withholding should correspond to the final tax liability, except if the taxpayer has elected for income tax at progressive rates (from 0 to 45%) on all his/her investment income. If the withholding tax exceeds the personal income tax, the excess will be refunded. Practical steps to be taken for the purpose of levying this withholding tax will depend on the place where the paying agent is located. In this respect, holders of Notes who are French tax resident individuals (*domiciliés fiscalement en France*) are urged to consult with their usual tax adviser on the way the 12.8% levy and the 17.2% social security contributions are collected, where the paying agent is not located in France.

Investors should carefully review the "TAXATION" section of the Prospectus and Condition 8 entitled "Taxation" of the "TERMS AND CONDITIONS OF THE NOTES" section in the Prospectus.

Noteholder, Couponholder, Receiptholder and/or prospective holder or beneficial owner of the Notes must inform itself and/or consult its tax adviser regarding the French withholding tax regime previously described.

The Issuer has no duty to inform the Dealers, Noteholders, Couponholders, Receiptholders and/or prospective holder or beneficial owner of the Notes of any change of the French withholding tax regime and assume no obligation to advise them of any change in the tax status of the Notes with respect to the French withholding tax regime.

Interest Periods and Rate of Interest:

The length of the Interest Periods for the Notes and the applicable Rate of Interest or its method of calculation may differ from time to time or be constant for any Series. Notes may have a Maximum Rate of Interest, a Minimum Rate of Interest (which shall never be less than zero), or both. The use of interest accrual periods

permits the Notes to bear interest at different rates in the same interest period. All such information will be set out in the relevant Final Terms.

Fixed Rate Notes:

Fixed interest will be payable in arrear on the date or dates in each year specified in the relevant Final Terms, (a "Fixed Rate").

Floating Rate Notes:

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

- (ii) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions as published by the International Swaps and Derivatives Association, Inc., unless otherwise specified in the relevant Final Terms;
- (iii) by reference to LIBOR, EURIBOR, EUR CMS or by reference to a Replacement Relevant Rate, as may be determined by the Relevant Rate Determination Agent if a Benchmark Event occurs,

in each case as adjusted for any applicable Margin, (a "Floating Rate").

Interest periods will be specified in the relevant Final Terms.

Zero Coupon Notes:

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

Form of Notes:

Notes may be issued in either dematerialised form ("**Dematerialised Notes**") or in materialised form ("**Materialised Notes**").

Dematerialised Notes may, at the option of the Issuer, be issued in bearer form (*au porteur*) or in registered form (*au nominatif*) and, in such latter case, at the option of the relevant holder, in either fully registered form (*au nominatif pur*) or administrated registered form (*au nominatif administré*) form. No physical documents of title will be issued in respect of Dematerialised Notes. See "Terms and Conditions of the Notes - Form, Denomination(s) and Title".

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

Dematerialised Notes will not be exchangeable for Materialised Notes and Materialised Notes will not be exchangeable for Dematerialised Notes.

Governing Law:

French law.

Central Depository:

Euroclear France as central depository in relation to Dematerialised Notes.

Clearing Systems:

In relation to Materialised Notes, Clearstream and Euroclear or any other clearing system that may be agreed between the Issuer, the Fiscal Agent and the relevant Dealer.

Initial Delivery of Dematerialised Notes:

No later than one (1) Paris business day before the issue date of each Tranche of Dematerialised Notes, the *lettre comptable* relating to such Tranche shall be deposited with Euroclear France as central depository.

Initial Delivery of Materialised Notes:

On or before the issue date for each Tranche of Materialised Notes, the Temporary Global Certificate issued in respect of such Tranche shall be deposited with a common depository for Euroclear and Clearstream or with any other clearing system or may be delivered outside any clearing system provided that the method of such delivery has been agreed in advance by the Issuer, the Fiscal Agent and the relevant Dealer.

Method of Publication of the Final Terms

This Base Prospectus and the Final Terms related to Notes listed and/or admitted to trading on any Regulated Market will be published, if relevant, on the website of the Luxembourg Stock Exchange (www.bourse.lu) and/or on the website of the Issuer, as the case may be, and copies may be obtained from the Fiscal Agent and the Paying Agent, or through any other means in accordance with the terms of Article 14 of the Prospectus Directive. The Final Terms will indicate where the Base Prospectus may be obtained.

Issue Price:

Notes may be issued at their nominal amount or at a discount or premium to their nominal amount. The price and amount of Notes to be issued under the Programme will be determined by the Issuer and the relevant Dealer(s) at the time of issue in accordance with prevailing market conditions and will be specified in the relevant Final Terms.

Listing and/or admission to trading:

Application has been made for the Notes issued under the Programme to be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the regulated market of the Luxembourg Stock Exchange. The Notes may also be listed and/or admitted to trading on such other or further stock exchange(s) as may be agreed between the Issuer and the relevant Dealer in relation to each Series. The Final Terms relating to each Tranche of Notes will state whether or not and if so, on which stock exchanges the Notes are to be listed and/or admitted to trading.

Rating:

The long-term debt of the Issuer is rated Baa-2 (stable outlook) by Moody's Deutschland GmbH and BBB (stable outlook) by Standard and Poor's Credit Market Services France SAS. Notes to be issued under the Programme may be rated or unrated. The rating of the Notes, if any, will be specified in the relevant Final Terms. Whether or not each credit rating applied for in relation to a relevant Series of Notes will be issued by a credit rating agency established in the European Union and registered under the CRA Regulation will be disclosed in the Final Terms. Credit ratings are subject to revision, suspension or withdrawal at any time by the relevant rating organisation. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.

Selling Restrictions:

There are restrictions on the sale of Notes and the distribution of offering material in various jurisdictions including the United States, the United Kingdom, France, Japan, Hong Kong, the People's Republic of China and Singapore. See "Subscription and Sale". In connection with the offering and sale of a particular Tranche, additional selling restrictions may be imposed which will be set out in a supplement to the Base Prospectus.

The Issuer is Category 2 for the purposes of Regulation S under the United States Securities Act of 1933, as amended.

Materialised Notes will be issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) (the "**D Rules**") unless (i) the relevant Final Terms state that such Materialised Notes are issued in compliance with U.S. Treas.

Reg. §1.163-5(c)(2)(i)(C) (the "**C Rules**") or (ii) such Materialised Notes are issued other than in compliance with the D Rules or the C Rules but in circumstances in which the Notes will not constitute "registration required obligations" under the United States Tax Equity and Fiscal Responsibility Act of 1982 ("**TEFRA**"), which circumstances will be referred to in the relevant Final Terms as a transaction to which TEFRA is not applicable.

The TEFRA rules do not apply to any Dematerialised Notes.

The discussion above does not address the tax consequences of the purchase, ownership or disposition of an interest in the Notes under United States federal, state or local tax law.

Each prospective purchaser should consult its own tax adviser regarding such tax consequences.

DOCUMENTS INCORPORATED BY REFERENCE

This Base Prospectus should be read and construed in conjunction with the documents incorporated by reference (the "**Documents Incorporated by Reference**", as further described below), which have been filed with the CSSF and shall be deemed to be incorporated by reference in, and to form part of, this Base Prospectus:

- (i) the French language *Document de référence* of Imerys filed with the *Autorité des marchés financiers* ("**AMF**") on 20 March 2019 under n° D.19-0175, except for the third paragraph of the statement by Mr. Conrad Keijzer, *Directeur Général* of the Issuer, referring, inter alia, to the *lettre de fin de travaux* of the statutory auditors of the Issuer in section 9.2 and except for sections 9.6 "*Table de concordance*" and 9.7 "*Table de réconciliation avec le Rapport Financier Annuel*" and any reference thereto shall not be deemed incorporated by reference herein (the "**2018 Registration Document**" or "**2018 RD**");
- (ii) the French language *Document de référence* of Imerys filed with the AMF on 20 March 2018 under n° D.18-0150, except for the third paragraph of the statement by Mr. Gilles Michel, *Président-Directeur Général* of the Issuer, referring, inter alia, to the *lettre de fin de travaux* of the statutory auditors of the Issuer in section 9.2 and except for sections 9.6 "*Table de concordance*" and 9.7 "*Table de réconciliation avec le Rapport Financier Annuel*" and any reference thereto shall not be deemed incorporated by reference herein (the "**2017 Registration Document**" or "**2017 RD**");
- (iii) the terms and conditions set out on pages 35 to 63 of the base prospectus dated 9 June 2017 relating to the Programme under the heading "Terms and Conditions of the Notes" (the "**2017 Conditions**");
- (iv) the terms and conditions set out on pages 38 to 66 of the base prospectus dated 10 June 2016 relating to the Programme under the heading "Terms and Conditions of the Notes" (the "**2016 Conditions**");
- (v) the terms and conditions set out on pages 38 to 65 of the base prospectus dated 5 June 2015 relating to the Programme under the heading "Terms and Conditions of the Notes" (the "**2015 Conditions**");
- (vi) the terms and conditions set out on pages 35 to 62 of the base prospectus dated 15 May 2014 relating to the Programme under the heading "Terms and Conditions of the Notes" (the "**2014 Conditions**"); and
- (vii) the terms and conditions set out on pages 30 to 57 of the base prospectus dated 3 May 2013, relating to the Programme under the heading "Terms and Conditions of the Notes" (the "**2013 Conditions**").

The 2017 Conditions, 2016 Conditions, 2015 Conditions, 2014 Conditions and 2013 Conditions are incorporated by reference in, and form part of, this Base Prospectus for the purpose only of any further issuances of Notes to be assimilated (*assimilées*) and form a single Series with Notes already issued under the 2017 Conditions, 2016 Conditions, the 2015 Conditions, the 2014 Conditions and the 2013 Conditions. The documents incorporated by reference in the 2018 Registration Document and in the 2017 Registration Document are not incorporated by reference and do not form part of this Base Prospectus. In accordance with Article 28.4 of the Prospectus Regulation, the non-incorporated parts of the base prospectuses dated 9 June 2017, 10 June 2016, 5 June 2015, 15 May 2014 and 3 May 2013, the 2018 Registration Document and the 2017 Registration Document are not relevant for the investors.

Free English language translations of the Documents Incorporated by Reference in this Base Prospectus are available, for information purpose only, on the website of Imerys at the following address (<http://www.imerys.com/Scopi/Group/ImerysCom/imeryscom.nsf/pagesref/SCOI-8S4EYJ?opendocument&lang=fr>).

For the avoidance of doubt, the English language translations of the Documents Incorporated by Reference in this Base Prospectus do not form part of this Base Prospectus.

The Issuer will, at the specified office of the Paying Agent for the time being during normal business hours, make available, free of charge, a copy of any or all of the Documents Incorporated by Reference herein. All Documents Incorporated by Reference in this Base Prospectus will also be available on the website of the Luxembourg Stock Exchange (www.bourse.lu) and on the website of Imerys at the following address (<http://www.imerys.com/scopi/group/imeryscom/imeryscom.nsf/pagesref/SCOI-8S4EYJ?opendocument&lang=fr&publi=5>).

The 2018 Registration Document refers to credit ratings given by Moody's Deutschland GmbH and Standard and Poor's Credit Market Services France SAS credit rating agencies in respect of the Issuer. Moody's Deutschland GmbH and Standard and Poor's Credit Market Services France SAS are established in the European Union and are registered under the CRA Regulation. As such, Moody's Deutschland GmbH and Standard and Poor's Credit Market Services France SAS are included in the latest update of the list of registered credit rating agencies on the ESMA website (<http://www.esma.europa.eu>).

The following table cross-references the pages of the Documents Incorporated by Reference. The information incorporated by reference that is not included in the cross-reference list is considered as additional information and is not required by the relevant schedules of the Prospectus Regulation.

INFORMATION	Page numbers in the applicable document
History and development of the Issuer	42 to 43, 46 to 48 and 282 of 2018 RD
Legal and commercial name	282 of 2018 RD
Place of registration and registration number	282 of 2018 RD
Date of incorporation and length of life	282 of 2018 RD
Domicile, legal form, legislation, country of incorporation, address and telephone number	282 of 2018 RD
Recent events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer's solvency	42 to 43 and 46 to 48 of 2018 RD
Description of the Issuer's principal activities	9, 17 to 19 and 22 to 35 of 2018 RD
Competitive position	5, 17 to 19, 23, 27, 30 and 33 of 2018 RD
Description of the Group and of the Issuer's position within it	293 of 2018 RD
Information concerning the administrative and management bodies	12 to 15 and 68 to 103 of 2018 RD
Administrative and management bodies' conflicts of interest	75, 258, 292 and 301 of the 2018 RD
Information concerning control	291 to 293 of 2018 RD
Description of arrangements which may result in a change of control	292 of 2018 RD
Historical financial information	Consolidated financial statements 2018 - Balance sheet: 182 of 2018 RD - Income statement: 180 of 2018 RD - Accounting policies: 188 to 195 of 2018 RD - Explanatory notes: 195 to 261 of 2018 RD

	- Auditors' report relating to the above: 55 to 59 of 2018 RD
	<p>Non-consolidated financial statements 2018</p> <ul style="list-style-type: none"> - Balance sheet: 263 of 2018 RD - Income statement: 262 of 2018 RD - Accounting policies: 265 to 268 of 2018 RD - Explanatory notes: 268 to 279 of 2018 RD - Auditors' report relating to the above: 60 to 63 of 2018 RD
	<p>Consolidated financial statements 2017</p> <ul style="list-style-type: none"> - Balance sheet: 162 of 2017 RD - Income statement: 160 of 2017 RD - Accounting policies: 168 to 174 of 2017 RD - Explanatory notes: 168 to 238 of 2017 RD - Auditors' report relating to the above: 50 to 54 of 2017 RD
	<p>Non-consolidated financial statements 2017</p> <ul style="list-style-type: none"> - Balance sheet: 240 of 2017 RD - Income statement: 239 of 2017 RD - Accounting policies: 242 to 245 of 2017 RD - Explanatory notes: 242 to 256 of 2017 RD - Auditors' report relating to the above: 55 to 58 of 2017 RD
Risk Factors	21, 56, 58, 61, 120 to 127, 158, 224 and 246 to 253 of 2018 RD
Names and addresses of the Issuer's auditors	329 of 2018 RD
2017 Conditions	35 to 63 of base prospectus dated 9 June 2017
2016 Conditions	38 to 66 of base prospectus dated 10 June 2016
2015 Conditions	38 to 65 of base prospectus dated 5 June 2015
2014 Conditions	35 to 62 of base prospectus dated 15 May 2014
2013 Conditions	30 to 57 of base prospectus dated 3 May 2013

SUPPLEMENT TO THE BASE PROSPECTUS

If at any time the Issuer shall be required to prepare a supplement to this Base Prospectus pursuant to the provisions of the *loi relative aux prospectus pour valeurs mobilières* in Luxembourg implementing Article 16 of the Prospectus Directive following the occurrence of a significant new factor, material mistake or inaccuracy relating to the information included in this Base Prospectus which is capable of affecting the assessment of any Notes, the Issuer will prepare and make available an appropriate supplement to this Base Prospectus, which in respect of any subsequent issue of Notes to be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange or on a Regulated Market of a Member State of the European Economic Area, shall constitute a supplement to this Base Prospectus for the purpose of the relevant provisions of the *loi relative aux prospectus pour valeurs mobilières*.

The Issuer shall submit such supplement to the CSSF in Luxembourg for approval. All documents prepared in connection with the Programme will be available at the specified office of the Paying Agent.

DESCRIPTION OF IMERYS

The description of the Issuer is set out in the 2018 Registration Document of the Issuer for the year ended 31 December 2018 incorporated by reference herein (see the "Document Incorporated by Reference" section set forth above in this Base Prospectus).

RECENT DEVELOPMENTS

On 6 May 2019, the Issuer published the following press release:

IMERYS: FIRST QUARTER 2019 RESULTS

- Current revenue: + 1.1% restated for deconsolidation of North American talc subsidiaries, despite still high comparison basis and challenging environment
- Continuing positive price - mix (+ 2.6%) fully offsetting inflation of input costs
- Current operating margin impacted by temporary shutdown of US wollastonite plant 1
- Ongoing fixed costs and overheads reduction
- Further cost containment initiatives

CEO Conrad Keijzer commented:

“In the first quarter, Imerys delivered on its commitment to focus on costs and cash management, amid significant external and internal challenges. The decisive actions taken at the end of last year led to a decrease in fixed costs and overheads for the second consecutive quarter. Furthermore, in keeping with its proven business model, the Group was able to increase its selling prices and fully offset the continued inflation in variable costs. In the current environment and with a demanding basis of comparison, the Group has launched further cost containment initiatives. In addition, Imerys has started to deploy its transformation projects with a view to make the most of its simpler, more customer focused organization to support its future growth.”

Unaudited consolidated results (€ millions)	Q1 2018	Q1 2019	Change
Revenue	1,129.6	1,124.0	- 0.5%
- restated for NA talc subsidiaries ²	1,111.5		+ 1.1%
Current operating income ³	129.6	109.6	- 15.4%
- restated for NA talc subsidiaries	126.1		- 13.1%
Current operating margin	11.5%	9.8%	- 1.7 pt
Operating income	126.7	101.2	- 20.1%
Net income from current operations, Group share	77.1	75.1	- 2.6%
Net income, Group share	73.6	67.2	- 8.7%
Net income from current operations, Group share (€ per share) ⁴	0.98	0.95	- 2.8%

¹ Wollastonite plant in Willsboro: total yearly revenue of €40 million

² Deconsolidation of North American talc subsidiaries since February 14, 2019 (€18.1 million of revenue and €3.5 million of current operating income in the first quarter of 2018)

³ Throughout this press release, “current” means “before other operating income and expenses”, as defined in the notes to the financial statements relating to the consolidated income statement

⁴ The weighted average number of shares was 79,232,164 in the 1st quarter of 2019 vs. 79,047,023 in the 1st quarter 2018

FIRST QUARTER 2019 FINANCIAL REVIEW

REVENUE

Unaudited quarterly data (€ millions)	2018 Revenue	2019 Revenue	change	Like-for-like ⁵ change	of which volumes	of which price-mix
First quarter	1,129.6	1,124.0	- 0.5%	- 0.9%	- 3.6%	+ 2.7%
- restated for NA talc subsidiaries	1,111.5		+ 1.1%			

Revenue for the first quarter ended 31 March 2019 amounts to €1,124.0 million, slightly decreasing compared to the same period of 2018 (- 0.5% on reported basis and + 1.1% restated for deconsolidation of North American talc subsidiaries since February 14, 2019). The decrease in organic growth (- 0.9%) is the result of volumes still impacted by a high comparison basis, a challenging market environment, notably in European automotive, refractory and industrial markets, and large destocking in North America. This is partly compensated by a robust price-mix effect in our two business segments (Performance Minerals and High Temperature Materials and Solutions), up + 2.7%, in an inflationary environment.

Revenue also includes a favorable impact of exchange rates of €28.7 million due mainly to the appreciation of the US dollar versus the euro, which compensates a negative perimeter effect of €24.1 million (- 2.1%), of which -€18.1 million from the deconsolidation of our North American talc subsidiaries following their filing for chapter 11.

CURRENT OPERATING INCOME

First quarter 2019 **current operating income** totaled €109.6 million, down 15.4% compared to the first quarter of 2018, reflecting mainly the lower contribution from volumes (- €22.2 million). It also takes into account the North American talc subsidiaries deconsolidation (- €3.5 million) and the impact of the temporary shutdown of a wollastonite plant in Willsboro, USA, due to production issues (- €3.4 million). Excluding these two items, the current operating margin was 10.4% in the first quarter of 2019 (versus 9.8% on a reported basis). Effect of exchange rates was a positive €6.2 million.

The firm price mix effect of + €30.7 million fully compensated the carry over of inflation of variable costs, with a €30.1 million negative impact, corresponding to a + 5.5% year-on-year inflation (down from + 6.7% year on year in the fourth quarter of 2018).

The fixed costs and overheads improved by 1.3% (€5.9 million), reflecting the positive effect of the decisions concerning ceramic proppants and Namibian operations.

NET INCOME FROM CURRENT OPERATIONS

Net income from current operations amounted to 75.1 million, down 2.6% compared to the first quarter of 2018. It includes a €17.2 million improvement in financial results, mainly due to the full repayment on March 2019 of the €56 million JPY private placement maturing in 2033. The tax charge of - €31.1 million (versus - €32.6 million in the first quarter of 2018) reflects an effective tax rate of 29.0 % (versus 29.6% in the first quarter of 2018).

Net income from current operations, Group share, per share is down - 2.8% to €0.95.

NET INCOME

Other income and operating expenses, net of taxes, amounted to - €7.9 million in the first quarter of 2019. They include €3.3 million net additional costs associated with the temporary shutdown of the Willsboro plant in the USA.

⁵ Organic growth: growth at comparable scope and exchange rates, or "like-for-like"

Consequently **net income, Group share**, was €67.2 million, down 8.7%.

OUTLOOK

In the current market environment and with a demanding comparison basis in the second quarter, the Group will continue to sustain its performance⁶ by giving priority to cost reduction and cash generation.

Operations at Willsboro should restart mid year. As of today, its full-year impact on net income is expected to be around -€25 million.

Imerys has started to deploy its transformation projects with a view to make the most of its simpler, more customer focused organization to support its future growth.

BUSINESS SEGMENTS' ACTIVITY IN FIRST QUARTER 2019

As previously announced, the Group was reorganised into two business segments effective January 1, 2019: Performance Minerals and High Temperature Materials & Solutions⁷.

Performance Minerals

(55% of consolidated revenue)

Revenue Unaudited quarterly data (€ millions)	Q1 2018	Q1 2019	change	Like-for-like change
Americas	295.3	282.0	- 4.5%	- 2.8%
- restated for NA talc subsidiaries	277.2		+1.7%	
EMEA	260.3	258.8	- 0.6%	- 0.2%
APAC	106.9	114.7	+ 7.3%	+ 2.8%
Eliminations	(30.2)	(32.4)	-	-
Total Performance Minerals	632.2	623.1	- 1.4%	- 1.7%
- restated for NA talc subsidiaries	614.1		+ 1.5%	

The **Performance Minerals** business segment's revenue totaled €623.1 million in the first quarter of 2019 (decrease of -1.4% on a reported basis). This change takes into account a significant - €19.3 perimeter effect (-3.1%), mainly due to the deconsolidation of the North American talc subsidiaries. A positive exchange rate effect of €20.6 million (+3.3%) helped partly offset this impact. As a result, revenue was down -1.7% like-for-like in the first quarter of 2019. Price - mix remained positive in all regions.

On a like-for-like basis, revenue in the Americas was impacted by weak paper markets and destocking from filtration customers, as well as the temporary shutdown of a wollastonite plant in Willsboro, USA, serving the polymers and coatings business industry. On the opposite, building and infrastructure held up well.

Revenue in EMEA were resilient in an adverse market environment, in particular in the automotive sector, whilst paint demand was supported by a positive mix and paper sales sustained by customers' anticipation of Brexit. Filtration was impacted by destocking and ceramics suffered from lower demand in the Middle East.

Revenue in APAC has benefited from positive volumes and mix effects, as a result of an increasing demand for conductive additives for Lithium-ion batteries in China and South Korea, and strong volumes from filtration for

⁶ Restated for NA talc subsidiaries

⁷ The correspondence between the new business segments and the former divisions can be found on page 11 of the 2018 Registration Document

food and pharmaceutical markets. To a lesser extent, an overall softer environment in plastics, rubber and paints, as well as decreasing paper & board markets in Japan impacted revenue.

High Temperature Materials & Solutions

(45% of consolidated revenue)

Revenue Unaudited quarterly data (€ millions)	Q1 2018	Q1 2019	Reported change	Like-for-like change
High Temperature Solutions	206.1	201.4	- 2.3%	- 1.8%
Refractory, Abrasives, Construction	312.1	319.3	+ 2.3%	- 0.2%
Eliminations	(12.8)	(11.1)	-	-
Total High Temperature Materials & Solutions	505.4	509.6	+ 0.8%	- 0.5%

The **High Temperature Materials and Solutions** business segment's revenue totaled €509.6 million in the first quarter of 2019, a + 0.8% year-on-year increase. It includes a + 11.3 million exchange rate impact (+ 2.2%) and a - €4.8 million perimeter effect (- 0.9%), mainly related to the disposal of a cat litter business (October 1, 2018), and a non-core fused alumina plant in United Kingdom (March 1, 2019). Like-for-like revenue was stable, despite a particularly high comparison basis in the first quarter of 2018. Strong raw material inflation was successfully offset by price adjustments.

The High Temperature Solutions organic growth was impacted by the decline of major kiln refurbishment projects (petrochemicals, boilers, incinerators industries, etc.) and car production weighing on the foundry market in Europe. This was partly compensated by supportive iron & steel markets and positive momentum in South East Asia, while activity in India softened over the period.

Revenue of Refractory, Abrasives and Construction was stable like-for-like. The decrease in volumes stemmed from weak abrasives and refractory demand, particularly in Germany, where the business area has a significant presence. Meanwhile, the building chemistry business continued to expand globally.

Financial agenda 2019

May 10, 2019	Shareholders' General Meeting
June 13, 2019	Capital Market Day
July 25, 2019 (post market)	H1 2019 Results
October 29, 2019 (post market)	Q3 2019 Results

These dates are tentative and may be updated on the Group's website at www.imerys.com, in the *Investors & Analysts / Financial Agenda* section.

Conference call

The press release is available on the Group's website www.imerys.com from the homepage in the News section. The first quarter 2019 results will be discussed in a **conference call today at 18:00 pm** (Paris time). The conference call will be streamed live on the Group's website www.imerys.com.

The world leader in mineral-based specialty solutions for industry, with €4.6 billion revenue and 18,000 employees, Imerys delivers high value-added, functional solutions to a great number of sectors, from processing industries to consumer goods. The Group draws on its knowledge of applications, technological expertise and its material science know-how to deliver resources based on beneficiation of its mineral resources, synthetic minerals and formulations. These contribute essential properties to customers' products and performance, including refractoriness, hardness, conductivity, opacity, durability, purity, lightness, filtration, absorption and

repellency. Imerys is determined to develop responsibly, in particular by fostering the emergence of environmentally-friendly products and processes.

More comprehensive information about Imerys may be obtained from its website (www.imerys.com) under Regulated Information, particularly in its Registration Document filed with Autorité des marchés financiers on March 20, 2019 under number D.19-0175 (also available from the Autorité des marchés financiers website, www.amf-france.org). Imerys draws the attention of investors to chapter 4, “Risk Factors and Internal Control”, of its Registration Document.

Disclaimer: This document contains projections and other forward-looking statements. Investors are cautioned that such projections and forward-looking statements are subject to various risks and uncertainties (many of which are difficult to predict and generally beyond the control of Imerys) that could cause actual results and developments to differ materially from those expressed or implied.

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APPENDIX: FIRST QUARTER 2019 RESULTS (UNAUDITED)

1. CONSOLIDATED REVENUE BREAKDOWN

Revenue by business group (€ millions)	Q1 2018	Q1 2019	Reported change	Group structure	Exchange rates	Comp. change
Performance Minerals	632.2	623.1	- 1.4%	- 3.1%	+ 3.3%	- 1.7%
High Temperature Materials & Solutions	505.4	509.6	+ 0.8%	- 0.9%	+ 2.2%	- 0.5%
Holding & Eliminations	(8.0)	(8.7)	n.s.	n.s.	n.s.	n.s.
Total	1,129.6	1,124.0	- 0.5%	- 2.1%	+ 2.5%	- 0.9%

Revenue by geographic destination (€ millions)	Q1 2018	Q1 2019	Reported change	% total Q1 2019 revenue
EMEA	567.9	555.1	-2.3%	49%
Americas	335.1	324.4	-3.2%	29%
APAC	226.6	244.5	+7.9%	22%
Total	1,129.6	1,124.0	-0.5%	100%

2. KEY INCOME INDICATORS

(€ millions)	Q1 2018	Q1 2019	Change
Revenue	1,129.6	1,124.0	- 0.5%
Current EBITDA	179.6	148.2	- 17.5%
Current operating income	129.6	109.6	- 15.4%
Current financial expense	(19.6)	(2.4)	
Current taxes	(32.6)	(31.1)	
Minority interests	(0.4)	(1.0)	
Net income from current operations, Group share	77.1	75.1	- 2.6%
Other operating income and expenses, net	(3.5)	(7.9)	
Net income, Group share	73.6	67.2	- 8.7%

3. HISTORICAL DATA WITH NEW SEGMENT REPORTING

Revenue (€m)	FY 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	FY 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	FY 2018	Q1 2019
Performance Minerals	2,575	668	661	632	641	2,602	632	650	641	636	2,559	623
Americas	1,283	324	319	301	325	1,269	295	307	314	310	1,227	282
Asia Pacific	416	106	106	103	110	426	107	107	108	106	428	115
Europe, Middle East Africa	982	261	259	251	247	1,018	260	264	248	246	1,018	259
High Temperature Materials & Solutions	1,304	382	378	474	468	1,703	505	544	523	500	2,072	510
High Temperature Solutions	725	206	214	221	181	822	206	218	216	204	844	201
Refractory, Abrasives, Construction	598	184	171	263	296	915	312	338	319	302	1,271	319
Other and eliminations	(17)	(16)	(8)	(3)	23	(6)	(7)	(13)	(10)	(10)	(41)	(9)
Group	3,862	1,034	1,031	1,103	1,132	4,299	1,130	1,181	1,154	1,126	4,590	1,124

Current operating income (€m)	FY 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	FY 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	FY 2018	Q1 2019
Group	479	123	141	145	142	551	130	154	141	137	562	110
Operating margin	12.4%	11.9%	13.6%	13.2%	12.5%	12.8%	11.5%	13.1%	12.2%	12.2%	12.2%	9.8%

Current operating income (€m)	FY 2016	H1 2017	H2 2017	FY 2017	H1 2018	H2 2018	FY 2018
Performance Minerals	373	198	192	390	182	171	353
Operating margin	14.5%	14.9%	15.1%	15.0%	14.2%	13.4%	13.8%
High Temperature Materials & Solutions	135	84	88	173	112	109	221
Operating margin	10.4%	11.1%	9.4%	10.1%	10.7%	10.7%	10.7%
Holding and eliminations	(29)	(19)	7	(12)	(10)	(2)	(12)
Group	479	263	287	551	284	278	562
Operating margin	12.4%	12.8%	12.9%	12.8%	12.3%	12.2%	12.2%

4. GLOSSARY

- The term "**on a comparable basis**" or "**like for like**" means: "at comparable Group structure and exchange rates";
 - Restatement of the foreign exchange effect consists of calculating aggregates for the current year at the exchange rate of the previous year. The impact of exchange rate instruments qualifying as hedging instruments is taken into account in current data.
 - Restatement of Group structure effect of newly consolidated entities consists of:
 - for entities entering the consolidation scope in the current year, subtracting the contribution of the acquisition from the aggregates of the current year,
 - for entities entering the consolidation scope in the previous year, subtracting the contribution of the acquisition from January 1 of the current year, until the last day of the month of the current year when the acquisition was made the previous year;
 - Restatement of entities leaving the consolidation scope consists of:
 - for entities leaving the consolidation scope in the current year, subtracting the departing entity's contributions from the aggregates of the previous year as from the first day of the month of divestment,
 - for entities leaving the consolidation scope in the previous year, subtracting the departing entity's contributions from the aggregates of the previous year.
- the term « **volume effect** » corresponds to the sum of the change in sales volumes of each division between the current year and the previous one, valued at the average sales price of the previous year.
- the term « **price-mix effect** » corresponds to the sum of the change in average prices by product family of each division between the current year and the previous one, applied to volumes of the current year.
- the term "**Current operating income**" means operating income before other operating income and expenses;
- the term "**Net income from current operations**" means the Group's share of income before other operating revenue and expenses, net. "

Financial structure

Net financial debt of the Group totalled ca. €1.8 billion as of March 31, 2019, of which €0.3 billion of lease liabilities under IFRS 16. This financial structure is rated Baa2 by Moody's and BBB by Standard & Poor's, with a stable outlook for both agencies.

Share capital

The share capital of Imerys had increased by a nominal amount of €3,000 after 1,500 stock options were exercised in January 2019, which consequently created an equal number of new Imerys shares. As a result of these transactions, Imerys' share capital at March 31, 2019 totalled €158,974,388.

Imerys Capital Markets Day

On 12 June 2019, the Issuer published the following press release:

"Imerys presents its 2019-2022 strategic plan at its Capital Markets Day

- Implementation of a 6-pillar Group transformation program "Connect & Shape"
- Ambition to gradually ramp up organic growth to reach underlying markets level⁸ by 2022
- €100 million expected cost savings in full in 2022
- Operating profitability target: 2022 Current EBITDA margin up by +200 basis points vs. 2018⁹

Imerys will host a Capital Markets Day on June 13 in London, during which the Group will present its strategic 2019-2022 orientations.

CEO Conrad Keijzer commented:

"Imerys has successfully repositioned its portfolio into a pure player in specialty mineral solutions to become the global leader with a strong Corporate and Social Responsibility commitment. It has achieved leadership positions in most of its businesses, with a strong customer base and a diversified portfolio of high-performance solutions. Imerys has launched a transformation program with an ambition to step up organic growth and improve profitability. With this "Connect & Shape" program, we will become more market focused and customer-centric, while building a simpler organization. We will drive functional excellence with more expertise and standardized processes and accelerate in high growth geographies. Our new operating model will allow for better operating leverage and easier integration and synergies extraction from future acquisitions."

Connect & Shape action plan

With our "Connect & Shape" transformation program, Imerys adopts a new operating model which relies on 6 pillars aiming to step-up its organic growth and improve its operating profitability in the medium term.

Ambition to step up organic growth	<ul style="list-style-type: none">• Customer-centric organization to capture full growth potential• Differentiated business mandates to allocate resources to higher growth businesses• Increased focus on high-growth geographies• Continued M&A with better integration model
Target to improve profitability	<ul style="list-style-type: none">• Leaner and more efficient organization• Functional excellence in operations and purchasing

⁸ Estimated average underlying markets growth of ca. 2% per year in normal trading conditions.

⁹ Current EBITDA margin was 17.3% in 2018.

2022 key financial targets

Imerys has the ambition to gradually ramp up its organic growth and increase its profitability.

Improved growth and profitability profile	<ul style="list-style-type: none">● Ambition to gradual ramp up of organic growth to reach underlying markets level by 2022● €100 million expected cost savings in full in 2022● 2022 current EBITDA margin up by +200 bp versus 2018
Disciplined capital allocation	<ul style="list-style-type: none">● €300 million - €350 million annual total capital expenditures● Development capital expenditures with target IRR of 15%● Acquisitions with ROCE > WACC within 3 full years of integration
Sound balance sheet	<ul style="list-style-type: none">● Solid investment grade rating
Commitment to attractive shareholder returns	<ul style="list-style-type: none">● Consistent dividend growth in line with growth in net income from current operations per share, with flexible payout ratio

Live webcast and replay

The event will start at **9:30 CET in London on June 13, 2019**. It can be watched on a live webcast at the following address: https://channel.royalcast.com/webcast/imerys/20190613_1/.

The presentations may be downloaded and subsequently a replay will be made available at: www.imerys.com/finance.

Financial agenda 2019

July 25, 2019 (post market)	H1 2019 Results
October 29, 2019 (post market)	Q3 2019 Results

These dates are tentative and may be updated on the Group's website at www.imerys.com/finance, in the *Investors & Analysts / Financial Agenda* section.

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which are difficult to predict and generally beyond the control of Imerys) that could cause actual results and developments to differ materially from those expressed or implied."

TERMS AND CONDITIONS OF THE NOTES

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

The Notes are issued by Imerys (the "**Issuer**" or "**Imerys**") with the benefit of an amended and restated agency agreement dated 24 June 2019 between the Issuer, BNP Paribas Securities Services as fiscal agent and the other agents named in it (as amended and supplemented, the "**Agency Agreement**"). The fiscal agent, the paying agents, the calculation agent(s) or the quotation agent for the time being (if any) are referred to below respectively as the "**Fiscal Agent**", the "**Paying Agents**" (which expression shall include the Fiscal Agent), the "**Calculation Agent(s)**" and the "**Quotation Agent**".

References below to "Conditions" are, unless the context requires otherwise, to the numbered paragraphs below.

"**Regulated Market**" means any regulated market situated in a Member State of the European Economic Area ("**EEA**") as defined in Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments of 15 May 2014, as amended, appearing on the list of regulated markets issued by the European Securities and Markets Authority.

1. **Form, Denomination(s) and Title**

(a) **Form:** Notes may be issued either in dematerialised form ("**Dematerialised Notes**") or in materialised form ("**Materialised Notes**").

- (i) Title to Dematerialised Notes will be evidenced in accordance with Articles L.211-3 *et seq* and R.211-1 of the French *Code monétaire et financier* by book entries (*inscriptions en compte*). No physical document of title (including *certificats représentatifs* provided under Article R.211-7 of the French *Code monétaire et financier*) will be issued in respect of the Dematerialised Notes.

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

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

- (ii) Materialised Notes are issued in bearer form. Materialised Notes in definitive form ("**Definitive Materialised Notes**") are serially numbered and are issued with coupons (the "**Coupons**") (and, where appropriate, a talon (the "**Talon**")) attached, save in the case of Zero Coupon Notes in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable. Instalment Notes are issued with one or more receipts (the "**Receipts**") attached.

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

- (b) **Denomination(s):** Notes shall be issued in the specified denomination(s) as set out in the relevant Final Terms (the "**Specified Denomination(s)**"), save that the minimum denomination of each Note admitted to trading on a Regulated Market in circumstances which require the publication of a prospectus under directive 2003/71/EC of the European Parliament and of the Council dated 4 November 2003, as amended or superseded (the "**Prospectus Directive**") will be no less than €100,000 (or its equivalent in any other currency as at the date of issue), or such higher amount as may be allowed or required from time to time by the relevant monetary authority or any laws or regulations applicable to the relevant Specified Currency. Dematerialised Notes shall be issued in one Specified Denomination only.

(c) **Title:**

- (i) Title to Dematerialised Notes in bearer form (*au porteur*) and in administered registered form (*au nominatif administré*) shall pass upon, and transfer of such Notes may only be effected through, registration of the transfer in the accounts of Account Holders. Title to Dematerialised Notes in fully registered form (*au nominatif pur*) shall pass upon, and transfer of such Notes may only be effected through, registration of the transfer in the accounts of the Issuer or the Registration Agent.
- (ii) Title to Materialised Notes in definitive form having, where appropriate, Coupons, Receipt(s) and/or a Talon attached thereto on issue, shall pass by delivery.
- (iii) Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Note, Receipt, Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, or an interest in it, any writing on it or its theft or loss and no person shall be liable for so treating the holder.
- (iv) In these Conditions, "holder" or "Noteholder" means (i) in the case of Dematerialised Notes, the person whose name appears in the account of the relevant Account Holder or the Issuer or the Registration Agent (as the case may be) as being entitled to such Notes and (ii) in the case of Materialised Notes, the bearer of any Definitive Materialised Note and the Receipts, Coupons, or Talon relating to it, and capitalised terms have the meanings given to them in the relevant Final Terms, the absence of any such meaning indicating that such term is not applicable to the Notes.

(d) **Method of Issue:**

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

2. Conversion and Exchanges of Notes

(a) Dematerialised Notes

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

(b) Materialised Notes

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

3. Status

The Notes and, where applicable, any relative Receipts and Coupons relating to them are direct, unconditional, unsubordinated and (subject to the provisions of Condition 4) unsecured obligations of the Issuer and rank and will at all times rank *pari passu* and without any preference among themselves and (subject to such exceptions as are from time to time mandatory under French law) equally and rateably with all other present or future unsecured and unsubordinated obligations of the Issuer, from time to time outstanding.

4. Negative Pledge

So long as any of the Notes or, if applicable, any Receipts or Coupons relating to them, remains outstanding (as defined above), the Issuer will not create or permit to subsist any mortgage, charge, pledge or other security interest upon any of its assets or revenues, present or future, to secure any Relevant Indebtedness (as defined below) unless, by the same date the obligations of the Issuer resulting from the Notes, and, if applicable, the Receipts and Coupons are equally and rateably secured therewith or benefit from a security or guarantee or indemnity in substantially identical terms thereto to the extent permitted by French or other applicable laws or regulations.

For the purposes of this Condition:

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

those Definitive Materialised Notes alleged to have been lost, stolen or destroyed and in respect of which replacement Definitive Materialised Notes have been issued and (iii) any Temporary Global Certificate to the extent that it shall have been exchanged for one or more Definitive Materialised Notes, pursuant to its provisions.

- (ii) "**Relevant Indebtedness**" means any indebtedness for borrowed money represented by notes or other assimilated debt securities, with a maturity of more than one year which are for the time being, or are capable of being, listed on any stock exchange. For the avoidance of doubt, such Relevant Indebtedness does not include indebtedness for borrowed money arising under loan or credit facility agreements.

5. Interest and other Calculations

- (a) **Definitions:** In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

"**Benchmark**" means the reference rate as set out in the relevant Final Terms, subject as provided in Condition 5(c)(B)(d);

"**Business Day**" means:

- (i) in the case of Euro, a day on which the Trans European Automated Real Time Gross Settlement Express Transfer (known as TARGET2) System or any system which would be its successor thereto (the "**TARGET System**") is operating (a "**TARGET Business Day**"); and/or
- (ii) in the case of a Specified Currency other than Euro or Renminbi, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for that currency; and/or
- (iii) in relation to any sum payable in Renminbi, a day on which commercial banks and foreign exchange markets settle payments in Renminbi in Hong Kong and in the relevant Business Centre(s) (if any); and/or
- (iv) in the case of a Specified Currency and/or one or more additional business centre(s) specified in the relevant Final Terms (the "**Business Centre(s)**"), a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Additional Financial Centre(s) or, if no currency is indicated, generally in each of the Additional Financial Centres so specified;

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

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

- (x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and
- (y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year,

where

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

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

- (iii) if **"Actual/365 (Fixed)"** is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 365;
- (iv) if **"Actual/360"** is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 360;
- (v) if **"30/360"**, **"360/360"** or **"Bonds Basis"** is specified in the relevant Final Terms, the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (a) the last day of the Calculation Period is the 31st day of a month but the first day of the Calculation Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (b) the last day of the Calculation Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month)); and
- (vi) if **"30E/360"** or **"Eurobond Basis"** is specified in the relevant Final Terms, the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months, without regard to the date of the first day or last day of the Calculation Period unless, in the case of a Calculation Period ending on the Maturity Date, the Maturity Date is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month);

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

"Euro-zone" means the region comprised of Member States of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended;

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

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

"Interest Commencement Date" means the Issue Date (as defined in the applicable Final Terms) or such other date as may be specified in the relevant Final Terms;

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

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

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

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

"ISDA Definitions" means the 2006 ISDA Definitions as published by the International Swaps and Derivatives Association, Inc., as amended from time to time, in the updated version applicable as at the date of issue of the first Tranche of the relevant Series;

"Page" means such page, section, caption, column or other part of a particular information service (including, but not limited to, Reuters Markets 3000 ("**Reuters**")) as may be specified for the purpose of providing a Relevant Rate, or such other page, section, caption, column or other part as may replace it on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to that Relevant Rate, subject to amendment in respect of Notes listed and/or admitted to trading on Euronext Paris, as disclosed in the Final Terms;

"Rate of Interest" means the rate of interest payable from time to time in respect of the Notes and that is either specified or calculated in accordance with the provisions of these Conditions, as completed in the relevant Final Terms;

"Reference Banks" means, for the purpose of this Condition 5, the institutions specified as such in the relevant Final Terms or, if none, four major banks selected by the Calculation Agent, or the Quotation Agent, as applicable, in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the Benchmark (which, if EURIBOR is the relevant Benchmark, shall be the Euro-zone);

"Relevant Date" means, in respect of any Note, Receipt or Coupon, the date on which payment in respect of it first became due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (in the case of Materialised Notes if earlier) the date falling seven (7) calendar days after that on which notice is duly given to the holders of such Materialised Notes that, upon further presentation of the Materialised Note, Receipt or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation;

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

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

"Relevant Time" means, with respect to any Interest Determination Date, the local time in the Relevant Financial Centre specified in the relevant Final Terms or, if no time is specified, the local time in the Relevant Financial Centre at which it is customary to determine bid and offered rates in respect of deposits in the Specified Currency in the interbank market in the Relevant Financial Centre and for this purpose "local time" means, with respect to Europe and the Euro-zone as a Relevant Financial Centre, 11.00 hours, Brussels time;

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

"Specified Currency" means the currency specified as such in the relevant Final Terms or, if none is specified, the currency in which the Notes are denominated; and

"Specified Duration" means, with respect to any Floating Rate to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the duration specified in the relevant Final Terms or, if none is specified, a period of time equal to the relative Interest Accrual Period, ignoring any adjustment pursuant to Condition 5(c)(ii).

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

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

- (c) **Interest on Floating Rate Notes:**

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

(ii) **Business Day Convention:** If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day. Notwithstanding the foregoing, where the relevant Final Terms specify that the relevant Business Day Convention is to be applied on an "unadjusted" basis, the Interest Amount payable on any date shall not be affected by the application of that Business Day Convention.

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

(A) ISDA Determination for Floating Rate Notes

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

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

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

In the applicable Final Terms, when the paragraph "Floating Rate Option" specifies that the rate is determined by linear interpolation, in respect of an Interest Period, the Rate of Interest for such Interest Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two (2) rates based on the relevant Floating Rate Option, one of which shall be determined as if the Designated Maturity for which rates are available was the period of time of next shorter length as compared to the length of the relevant Interest Period, and the other of which shall be determined as if the Designated Maturity was the period of time of next longer length as compared to the length of the relevant Interest Period.

(B) Screen Rate Determination for Floating Rate Notes

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

- (i) if the primary source for Floating Rate is a Page, subject as provided below, the Rate of Interest shall be:

- (A) the Relevant Rate (where such Relevant Rate on such Page is a composite quotation or is customarily supplied by one entity) or

- (B) the arithmetic mean of the Relevant Rates of the persons whose Relevant Rates appear on that Page,

in each case appearing on such Page at the Relevant Time on the Interest Determination Date, subject to amendment in respect of

Paris listed Notes, as disclosed in the relevant Final Terms, plus or minus (as indicated in the relevant Final Terms) the Margin (if any).

- (ii) if the primary source for the Floating Rate is Reference Banks or if sub-paragraph (a)(i)(A) applies and no Relevant Rate appears on the Page at the Relevant Time on the Interest Determination Date or if sub-paragraph (a)(i)(B) applies and fewer than two (2) Relevant Rates appear on the Page at the Relevant Time on the Interest Determination Date, subject as provided below, the Rate of Interest shall be the arithmetic mean of the Relevant Rates that each of the Reference Banks is quoting to leading banks in the Relevant Financial Centre at the Relevant Time on the Interest Determination Date, as determined by the Calculation Agent, plus or minus (as indicated in the relevant Final Terms) the Margin (if any) and
 - (iii) if paragraph (ii) above applies and the Calculation Agent determines that fewer than two Reference Banks are so quoting Relevant Rates, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates *per annum* (expressed as a percentage) that the Calculation Agent determines to be the rates (being the nearest equivalent to the Benchmark) in respect of a Representative Amount of the Specified Currency that at least two (2) out of five (5) leading banks selected by the Calculation Agent in the principal financial centre of the country of the Specified Currency or, if the Specified Currency is Euro, in the Euro-zone as selected by the Calculation Agent (the "**Principal Financial Centre**") are quoting at or about the Relevant Time on the date on which such banks would customarily quote such rates for a period commencing on the Effective Date for a period equivalent to the Specified Duration (I) to leading banks carrying on business in Europe, or (if the Calculation Agent determines that fewer than two (2) of such banks are so quoting to leading banks in Europe) (II) to leading banks carrying on business in the Principal Financial Centre; except that, if fewer than two (2) of such banks are so quoting to leading banks in the Principal Financial Centre, the Rate of Interest shall be the Rate of Interest determined on the previous Interest Determination Date (after readjustment for any difference between any Margin, Rate Multiplier or Maximum or Minimum Rate of Interest applicable to the preceding Interest Accrual Period and to the relevant Interest Accrual Period).
- (b) In the applicable Final Terms, when the paragraph "Relevant Rate" specifies that the rate is determined by linear interpolation, in respect of an Interest Period, the Rate of Interest for such Interest Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two (2) rates based on the Relevant Rate, one of which shall be determined as if the maturity for which rates are available was the period of time of next shorter length as compared to the length of the relevant Interest Period, and the other of which shall be determined as if the maturity was the period of time of next longer length as compared to the length of the relevant Interest Period.
 - (c) Where Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined and the Relevant Rate is specified as being EUR CMS, the Rate of Interest in respect of each Interest Accrual Period will be the Relevant Rate (expressed as a percentage per annum) for EUR CMS relating to the relevant maturity (the relevant maturity year mid swap rate in EUR (annual 30/360)), which

appears on the Page at the Relevant Time on the Interest Determination Date, as disclosed in the relevant Final Terms, plus or minus (as indicated in the relevant Final Terms) the Margin (if any).

In the event that the Relevant Rate for EUR CMS does not appear on the Page, the Calculation Agent shall determine on the relevant Interest Determination Date the applicable rate based on quotations of five Reference Banks for EUR CMS relating to the relevant maturity (in each case the relevant mid-market annual swap rate commencing two Business Days following the Interest Determination Date). The highest and lowest (or, in the event of equality, one of the highest and/or lowest) quotations so determined shall be disregarded by the Calculation Agent for the purpose of determining the Relevant Rate for EUR CMS which will be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of such provided quotations.

If, for any reason, the Relevant Rate for EUR CMS is no longer published or if fewer than three quotations are provided to the Calculation Agent in accordance with the above paragraph, the Relevant Rate for EUR CMS will be determined by the Calculation Agent in its sole discretion, acting in good faith and in a commercial and reasonable manner.

(d) **Benchmark Event**

Notwithstanding paragraphs 5(c)(iii)(B)(a) and 5(c)(iii)(B)(c) above, if the Issuer (in consultation with the Calculation Agent) determines at any time prior to any Interest Determination Date that a Benchmark Event has occurred, it will as soon as reasonably practicable (and in any event before the Business Day prior to the applicable Interest Determination Date) appoint an agent (the "**Relevant Rate Determination Agent**"), which will (i) use the substitute rate or successor rate selected by the central bank, reserve bank, monetary authority or any similar institution (including any committee or working group thereof) in the jurisdiction of the Specified Currency specified in the relevant Final Terms that is consistent with industry accepted standards or (ii) if no such public selection has occurred, determine a substitute rate or successor rate which is substantially comparable to the Relevant Rate and is an industry accepted successor rate for the purpose of determining the Relevant Rate on each Interest Determination Date falling on or after the date of such determination (the "**Replacement Relevant Rate**"). If the Relevant Rate Determination Agent determines that there is a Replacement Relevant Rate, the Relevant Rate Determination Agent will notify the Calculation Agent of the Replacement Relevant Rate to be used by the Calculation Agent to determine the Rate of Interest.

If the Relevant Rate Determination Agent has determined a Replacement Relevant Rate, then for the purpose of determining the Relevant Rate on each Interest Determination Date falling on or after such determination:

- (i) the Relevant Rate Determination Agent, in consultation with the Issuer, will also determine the changes (if any) required to the Conditions, including but not limited to the applicable Business Day Convention, the definition of Business Day, the Interest Determination Date, the Day Count Fraction and any method for obtaining the Replacement Relevant Rate including any adjustment needed to make such Replacement Relevant Rate comparable to the Relevant Rate and any necessary adjustment to the spread in order to limit any increase or decrease in the yield of the Notes resulting from the application of the Replacement Relevant Rate (the "**Benchmark**

Amendments"), in each case acting in good faith and in a commercially reasonable manner that is consistent with industry-accepted practices for such Replacement Relevant Rate;

- (ii) references to the Relevant Rate in these Conditions will be deemed to be references to the relevant Replacement Relevant Rate including any Benchmark Amendments; and
- (iii) the Relevant Rate Determination Agent will notify the Issuer of the Replacement Relevant Rate and the Benchmark Amendments, as soon as reasonably practicable but in any event no later than 5:00 p.m. (London time) five Business Days prior to the applicable Interest Determination Date;

The determination of the Replacement Relevant Rate and the Benchmark Amendments referred to above by the Relevant Rate Determination Agent will (in the absence of manifest error) be final and binding on the Issuer, the Calculation Agent and the Noteholders and each Noteholder shall be deemed to have accepted the Replacement Relevant Rate and such related Benchmark Amendments pursuant to this paragraph (d).

If the Relevant Rate Determination Agent determines for any reason that a Replacement Relevant Rate cannot, pursuant to this Condition, be determined or does not constitute an industry accepted successor rate, the Issuer may decide that no Replacement Relevant Rate or any other successor, replacement or alternative benchmark or screen rate will be adopted and the Relevant Rate for the following Interest Periods in such case will be equal to the last Relevant Rate available on the Relevant Screen Page as determined by the Calculation Agent (after readjustment for any difference between any Margin, Rate Multiplier or Maximum Rate of Interest or Minimum Rate of Interest applicable to the preceding Interest Period and to the relevant Interest Period).

If a new Benchmark Event occurs in respect of the then applicable Replacement Relevant Rate, the Issuer shall appoint or re-appoint a Relevant Rate Determination Agent (which may or may not be the same entity as the original Relevant Rate Determination Agent) for the purposes of determining a substitute Replacement Relevant Rate in an identical manner as described above. If the Relevant Rate Determination Agent is unable to or otherwise does not determine a substitute Replacement Relevant Rate, then the Replacement Relevant Rate will remain unchanged (after readjustment for any difference between any Margin, Rate Multiplier or Maximum Rate of Interest or Minimum Rate of Interest applicable to the preceding Interest Period and to the relevant Interest Period).

The Issuer will give notice of the Relevant Rate or Replacement Relevant Rate, as the case may be, and of the Benchmark Amendments (if any), to the Fiscal Agent, the Calculation Agent, the Paying Agent, the Representative of the Masse and the Noteholders in accordance with Condition 15 (*Notices*) as soon as reasonably practicable but in any event no later than 5:00 p.m. (London time) two Business Days prior to the applicable Interest Determination Date. Such notice shall be irrevocable and binding and shall specify the effective date of the Benchmark Amendments (if any).

The Relevant Rate Determination Agent may be (i) a leading bank or benchmark agent in the principal financial centre of the Specified Currency as appointed by the Issuer or (ii) the Calculation Agent. The Relevant Rate Determination Agent appointed pursuant to this Condition 5 shall act in good faith in a commercially reasonable manner as an independent expert

and in consultation with the Issuer. In the absence of bad faith or fraud, the Relevant Rate Determination Agent shall have no liability whatsoever to the Issuer, the Paying Agent, the Noteholders, or any other party responsible for determining the Rate of Interest specified in the applicable Final Terms.

For the purposes of these Conditions, a "**Benchmark Event**" means, with respect to the Relevant Rate:

- (i) the Relevant Rate ceasing to exist or be published;
 - (ii) the later of (i) a public statement by the administrator of the Relevant Rate that it will, before a specified date, cease publishing the Relevant Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Relevant Rate) and (ii) the date falling six months prior to the date specified in (i);
 - (iii) the later of (i) a public statement by the supervisor of the administrator of the Relevant Rate that the Relevant Rate has been or will be, on or before a specified date, permanently or indefinitely discontinued and (ii) the date falling six months prior to the date specified in (i);
 - (iv) a public statement that means the Relevant Rate will be prohibited from being used or that its use will be subject to restrictions which will not allow its further use in respect of the Notes or adverse consequences in each case within the following six months; or
 - (v) it has or will prior to the next Interest Determination Date, become unlawful for the Issuer, the Calculation Agent, any Paying Agent or any other party (as applicable) to calculate any payments due to be made to any Noteholder using the Relevant Rate (including, without limitation, under Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds, as amended, if applicable, and including because of the withdrawal of the authorisation or registration of the relevant benchmark administrator).
- (d) **Zero Coupon Notes:** Where a Note, the Interest Basis of which is specified to be Zero Coupon, is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note. As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate *per annum* (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 6(f)(i)).
- (e) **Accrual of Interest:** Interest shall cease to accrue on each Note on the due date for redemption unless (i) in the case of Dematerialised Notes, on such due date or (ii) in the case of Materialised Notes, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (as well after as before judgment) at the Rate of Interest in the manner provided in this Condition 5 to the Relevant Date.
- (f) **Margin, Maximum/Minimum Rates of Interest, Instalment Amounts and Redemption Amounts, Rate Multipliers and Rounding:**
- (i) If any Margin or Rate Multiplier is specified in the relevant Final Terms (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with (c) above by adding (if a positive

number) or subtracting the absolute value (if a negative number) of such Margin or multiplying by such Rate Multiplier, subject always to the next paragraph.

- (ii) If any Maximum or Minimum Rate of Interest, Instalment Amount or Redemption Amount is specified in the relevant Final Terms, then any Rate of Interest, Instalment Amount or Redemption Amount shall be subject to such maximum or minimum, as the case may be.
 - (iii) In respect of any calculation required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculation shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures shall be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes "unit" means the lowest amount of such currency that is available as legal tender in the country(ies) of such currency.
- (g) **Calculations:** The amount of interest payable in respect of any Note for any period shall be calculated by multiplying the product of the Rate of Interest and the outstanding nominal amount of such Note by the Day Count Fraction, unless an Interest Amount (or a formula for its calculation) is specified in respect of such period, in which case the amount of interest payable in respect of such Note for such period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two (2) or more Interest Accrual Periods, the amount of interest payable in respect of such Interest Period shall be the sum of the amounts of interest payable in respect of each of those Interest Accrual Periods.
- (h) **Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Optional Redemption Amounts, Early Redemption Amounts and Instalment Amounts:** As soon as practicable after the Relevant Time on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, it shall determine such rate and calculate the Interest Amounts in respect of each Specified Denomination of the Notes for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Optional Redemption Amount, Early Redemption Amount or Instalment Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Optional Redemption Amount, Early Redemption Amount or any Instalment Amount to be notified to the Fiscal Agent, the Issuer, each of the Paying Agents, the holders of Notes, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed and/or admitted to trading on a stock exchange and the rules of such exchange so require, such exchange as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 5(c)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 9, the accrued interest and the Rate of Interest payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Rate of Interest or the Interest Amount so calculated need be made. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.
- (i) **Calculation Agent and Reference Banks:** The Issuer shall procure that there shall at all times be four (4) Reference Banks (or such other number as may be required by the Conditions) with offices in the Relevant Financial Centre and one or more Calculation Agents if provision is made for them in the relevant Final Terms and for so long as any Note is outstanding (as defined above in Condition 4). If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank, then the Issuer shall appoint another Reference Bank with an office in the Relevant Financial Centre to act as such in its place. Where more than one Calculation Agent is appointed in

respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. Without prejudice and subject to the provisions of Condition 5(c)(B)(d), if the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Period or Interest Accrual Period or to calculate any Interest Amount, Instalment Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall appoint a leading bank or investment banking firm engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid. So long as the Notes are listed and/or admitted to trading on any stock exchange and the rules of that exchange so require, notice of any change of Calculation Agent shall be given in accordance with Condition 15.

- (j) **Renminbi Notes:** Notwithstanding the foregoing, each Renminbi Note which is a Fixed Rate Note bears interest from (and including) the Interest Commencement Date at the rate per annum equal to the Rate of Interest. For the purposes of calculating the amount of interest, if any Interest Payment Date would otherwise fall on a day which is not a Business Day, it shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month in which case it shall be brought forward to the immediately preceding Business Day. Interest will be payable in arrear on each Interest Payment Date. The Calculation Agent will, as soon as practicable after 11.00 a.m. (Hong Kong time) on each Interest Determination Date, calculate the amount of interest payable per Specified Denomination for the relevant Interest Period. The determination of the amount of interest payable per Specified Denomination by the Calculation Agent shall (in the absence of manifest error and after confirmation by the Issuer) be final and binding upon all parties. The Calculation Agent will cause the amount of interest payable per Specified Denomination for each Interest Period and the relevant Interest Payment Date to be notified to each of the Paying Agents and to be notified to Noteholders as soon as possible after their determination but in no event later than the fourth (4th) Business Day thereafter. The amount of interest payable per Specified Denomination and Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 9, the accrued interest per Specified Denomination shall nevertheless continue to be calculated as previously by the Calculation Agent in accordance with this provision but no publication of the amount of interest payable per Specified Denomination so calculated need be made. Unless otherwise agreed in the relevant Final Terms, interest shall be calculated in respect of any period by applying the Rate of Interest to the Specified Denomination, multiplying such product by the actual number of calendar days in the relevant Interest Period or, as applicable, other period concerned and dividing it by three hundred and sixty-five (365), and rounding the resultant figure to the nearest Renminbi sub-unit, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

6. **Redemption, Purchase and Options**

- (a) **Final Redemption:** Unless previously redeemed, purchased and cancelled as provided below or its maturity is extended pursuant to any option provided by the relevant Final Terms including, in particular, any Issuer's option in accordance with Condition 6(c) or any holders of Notes' option in accordance with Condition 6(e), each Note shall be redeemed on the Maturity Date specified in the relevant Final Terms at its Final Redemption Amount (which is its nominal amount) or, in the case of a Note falling within Condition 6(b), its final Instalment Amount, with the aggregate amount of all Instalment Amounts being equal to the nominal amount of each Note.
- (b) **Redemption by Instalments:** Unless previously redeemed, purchased and cancelled as provided in this Condition 6 or the relevant Instalment Date (being one of the dates so specified in the relevant Final Terms) is extended pursuant to any Issuer's or holder of Notes' option in accordance with Condition 6(c) or 6(e), each Note that provides for Instalment Dates and Instalment Amounts shall be partially redeemed on each Instalment Date at the related Instalment Amount specified in the relevant Final Terms. The outstanding nominal amount of each such Note shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the nominal amount of such Note, such proportion) for all purposes with effect from the related Instalment Date,

unless payment of the Instalment Amount is improperly withheld or refused (i) in the case of Dematerialised Notes, on the due date for such payment or (ii) in the case of Materialised Notes, on presentation of the related Receipt, in which case, such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount.

(c) **Redemption at the Option of the Issuer, Exercise of Issuer's Options and Partial Redemption:**

(i) Call Option

If a Call Option is specified as applicable in the relevant Final Terms, the Issuer may, subject to compliance by the Issuer with all relevant laws, regulations and directives and on giving not less than fifteen (15) nor more than thirty (30) calendar days' irrevocable notice in accordance with Condition 15 to the holders of Notes (or such other notice period as may be specified in the relevant Final Terms), redeem or exercise any Issuer's option (as may be described) in relation to all, or, if so provided, some, of the Notes on any Optional Redemption Date (as specified in the relevant Final Terms). Any such redemption of Notes shall be at their Optional Redemption Amount (as specified in the relevant Final Terms) together with interest accrued to the date fixed for redemption, if any.

(ii) Make-Whole Redemption

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

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

"**Make-Whole Redemption Amount**" means in respect of any Notes to be redeemed pursuant to this Condition, an amount, (i) determined by the Calculation Agent, equal to the greater of (x) a certain percentage of the principal amount of such Notes as specified in the relevant Final Terms (the "**Percentage Principal Amount**"), and (y) the sum of the then present values of the remaining scheduled payments of principal and interest of such Notes (excluding any interest accrued on the Notes to, but excluding, the relevant Make-Whole Redemption Date) discounted to the relevant Make-Whole Redemption Date on an annual basis at a rate equal to the Make-Whole Redemption Rate plus a Make-Whole Redemption Margin (as specified in the relevant Final Terms), plus in each case, any interest accrued on the Notes to, but excluding, the relevant Make-Whole Redemption Date, or (ii) as may be specified by the Issuer in the relevant Final Terms.

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

"**Make-Whole Redemption Rate**" means the rate based on either (i) the average of the four (4) quotations given by the Reference Banks to the Quotation Agent of the mid-market annual yield to maturity of the Reference Security as soon as practicable on the third Business Day preceding the Make-Whole Redemption Date at 11:00 a.m. (Central European Time ("**CET**")) ("**Reference Bank Quotation**") or (ii) the Reference Screen Rate, as specified in the relevant Final Terms.

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

"Reference Banks" means, for the purpose of this Condition 6, each of the four (4) banks selected by the Quotation Agent which are primary European government security banks, and their respective successors, or market makers in pricing corporate bond issues.

"Reference Screen Rate" means the screen rate specified as such in the relevant Final Terms, subject as provided in Condition 5(c)(B)(d).

"Reference Security" means the security specified as such in the relevant Final Terms. If a Reference Security is no longer outstanding, a Similar Security will be chosen by the Quotation Agent at 11:00 a.m. (CET) on the third Business Day preceding the Make-Whole Redemption Date, quoted in writing by the Quotation Agent to the Issuer and published in accordance with Condition 15.

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

(iii) Exercise of Issuer's Call Option, Make-Whole Redemption or partial redemption

Any redemption or exercise pursuant to paragraphs 6(c)(i) and 6(c)(ii) above must relate to Notes of a nominal amount at least equal to the Minimum Redemption Amount to be redeemed specified in the relevant Final Terms and no greater than the Maximum Redemption Amount to be redeemed specified in the relevant Final Terms.

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

In the case of a partial redemption or a partial exercise of an Issuer's option in respect of Materialised Notes, the notice to holders of such Materialised Notes shall also indicate the numbers of the Definitive Materialised Notes to be redeemed or in respect of which such option has been exercised, which shall have been drawn in such place and in such manner as may be fair and reasonable in the circumstances, taking account of prevailing market practices, subject to compliance with any applicable laws and requirements of the Regulated Market on which the Notes are listed and/or admitted to trading.

In the case of a partial redemption of or a partial exercise of an Issuer's option in respect of Dematerialised Notes of any Series, the redemption may be effected, at the option of the Issuer, either by reducing the nominal amount of all such Dematerialised Notes in a Series in proportion to the aggregate nominal amount redeemed.

So long as the Notes are listed and/or admitted to trading on a Regulated Market and the rules of, or applicable to, such Regulated Market so require, the Issuer shall, once in each year in which there has been a partial redemption of the Notes, cause to be published in accordance with Condition 15 (*Notices*) a notice specifying the aggregate nominal amount of Notes outstanding and, in the case of Materialised Notes a list of any Definitive Materialised Notes drawn at random for redemption but not surrendered.

(iv) Clean-Up Call Option

If so specified in the relevant Final Terms, in the event that at least 80 per cent. of the initial aggregate principal amount of the Notes has been purchased and cancelled by the Issuer, the Issuer may, at its option (the "**Clean-Up Call Option**") but subject to having given not less than fifteen (15) nor more than thirty (30) calendar days' irrevocable notice to the Noteholders in accordance with Condition 15, redeem all, but not some only, of the outstanding Notes at their Early Redemption Amount.

- (d) **Redemption at the Option of the Issuer in the event of a Rate of Interest Increase Event:** Upon the first occurrence of a Rate of Interest Increase Event (as defined in Condition 14), the Issuer may, subject to having given not more than thirty (30) nor less than fifteen (15) calendar days' prior notice to the Noteholders in accordance with Condition 15 (which notice shall be irrevocable), redeem the Notes (either in whole or in part) in relation to the relevant Final Terms on any date falling not more than forty-five (45) calendar days after the Rate of Interest Increase Date at the Optional Redemption Amount equal to the nominal amount to be redeemed, as specified in the relevant Final Terms, plus any interest accrued up to and including the Optional Redemption Date.
- (e) **Redemption at the Option of Holders and Exercise of Holders' Options:** If a Put Option is specified in the relevant Final Terms the Issuer shall, at the option of the holder of Notes, upon the holder of Notes giving not less than fifteen (15) nor more than thirty (30) calendar days' notice to the Issuer (or such other notice period as may be specified in the relevant Final Terms) redeem such Note on the Optional Redemption Date(s) at its Optional Redemption Amount together with interest accrued to the date fixed for redemption.

To exercise such option or any other holders of Notes' option that may be set out in the relevant Final Terms, the holder of Notes must deposit with any Paying Agent at its specified office during usual business hours a duly completed option exercise notice (the "**Exercise Notice**") in the form obtained during usual business hours from any Paying Agent or the Registration Agent, as the case may be, within the notice period. Such notice shall, in the case of Materialised Notes, have attached to it such Note (together with all unmatured Receipts and Coupons and unexchanged Talons). In the case of Dematerialised Notes, the holder of Notes shall transfer, or cause to be transferred, the Dematerialised Notes to be redeemed to the account of the Paris Paying Agent specified in the Exercise Notice. No option so exercised and, where applicable, no Note so deposited or transferred may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

(f) **Early Redemption:**

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

Where such calculation is to be made for a period of less than one (1) year, it shall be made on the basis of the Day Count Fraction shown in the relevant Final Terms.

(ii) Other Notes:

The Early Redemption Amount payable in respect of any Note (other than Notes described in Condition 6(f)(i) above), upon redemption of such Note pursuant to Condition 6(c)(iv), Condition 6(g) or Condition 6(j), or upon it becoming due and payable as provided in Condition 9 shall be the Final Redemption Amount together with interest accrued to the date fixed for redemption.

(g) **Redemption for Taxation Reasons:**

(i) If, by reason of any change in French law, or any change in the official application or interpretation of such law, becoming effective after the Issue Date of the relevant Notes, the Issuer would on the occasion of the next payment of principal or interest due in respect of the Notes, not be able to make such payment without having to pay additional amounts as specified under Condition 8(b), the Issuer may, at its option, on any Interest Payment Date or, if so specified in the relevant Final Terms, at any time, subject to having given not more than forty-five (45) nor less than thirty (30) calendar days' notice to the holders of Notes (which notice shall be irrevocable), in accordance with Condition 15, redeem all, but not some only, of the Notes at their Early Redemption Amount together with any interest accrued to the date set for redemption provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the latest practicable date on which the Issuer could make payment of principal and interest without withholding or deduction for French taxes.

(ii) If the Issuer would on the next payment of principal or interest in respect of the Notes be prevented by French law from making payment to the holders of Notes or, if applicable, Coupons of the full amounts then due and payable, notwithstanding the undertaking to pay additional amounts contained in Condition 8(b), then the Issuer shall forthwith give notice of such fact to the Fiscal Agent and the Issuer shall upon giving not less than seven (7) calendar days' prior notice to the holders in accordance with Condition 15, redeem all, but not some only, of the Notes then outstanding at their Early Redemption Amount together with any interest accrued to the date set for redemption on (A) the latest practicable Interest Payment Date on which the Issuer could make payment of the full amount then due and payable in respect of the Notes, provided that if such notice would expire after such Interest Payment Date the date for redemption pursuant to such notice of holders shall be the later of (i) the latest practicable date on which the Issuer could make payment of the full amount then due and payable in respect of the Notes and (ii) fourteen (14) calendar days after giving notice to the Fiscal Agent as aforesaid or (B) if so specified in the relevant Final Terms, at any time, provided that the due date for redemption of which notice hereunder shall be given shall be the latest practicable date at which the Issuer could make payment of the full amount payable in respect of the Notes, or, if applicable, Receipts or Coupons or, if that date is passed, as soon as practicable thereafter.

(h) **Purchases:** The Issuer shall have the right at all times to purchase Notes (provided that, in the case of Materialised Notes, all unmatured Receipts and Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price in accordance with the relevant regulation and such Notes may be held in custody by or on behalf of the Issuer and/or sold, resold or otherwise disposed of by the Issuer in accordance with and within the limits set by applicable laws and regulations.

(i) **Cancellation:** All Notes held or purchased by or on behalf of the Issuer and which are to be cancelled shall be so cancelled, in the case of Dematerialised Notes, by transfer to an account in accordance with the rules and procedures of Euroclear France and, in the case of Materialised Notes, by surrendering to the Fiscal Agent the Temporary Global Certificate or the Definitive Materialised Notes in question together with all unmatured Receipts and Coupons and all unexchanged Talons and, in each case, provided such Notes are transferred or surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with, in the case of Dematerialised Notes, all rights relating to payment of interest and other amounts relating to such Dematerialised Notes and, in the case of

Materialised Notes, all unmatured Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so cancelled or, where applicable, transferred or surrendered for cancellation may not be re-issued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

- (j) **Illegality:** If, by reason of any change in French law, or any change in the official application of such law, becoming effective after the Issue Date, it will become unlawful for the Issuer to perform or comply with one or more of its obligations under the Notes, the Issuer will, subject to having given not more than forty-five (45) nor less than thirty (30) calendar days' notice to the holders (which notice shall be irrevocable), in accordance with Condition 15, redeem all, but not some only, of the Notes at their Early Redemption Amount together with any interest accrued to the date set for redemption.

7. **Payments and Talons**

- (a) **Dematerialised Notes:** Payments of principal and interest in respect of Dematerialised Notes shall (in the case of Dematerialised Notes in bearer dematerialised form or administered registered form) be made by transfer to the account denominated in the relevant currency of the relevant Account Holders for the benefit of the holders of Notes and, (in the case of Dematerialised Notes in fully registered form), to an account denominated in the relevant currency with a Bank designated by the holders of Notes. All payments validly made to such Account Holders will be an effective discharge of the Issuer in respect of such payments.
- (b) **Materialised Notes:** Payments of principal and interest in respect of Materialised Notes shall, subject as mentioned below, be made against presentation and surrender during usual business hours of the relevant Receipts (in the case of payments of Instalment Amounts other than on the due date for redemption and provided that the Receipt is presented for payment together with its relative Note), Materialised Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 7(f)(vi)) or Coupons (in the case of interest, save as specified in Condition 7(f)(vi)), as the case may be, at the specified office of any Paying Agent outside the United States by a cheque payable in the relevant currency drawn on, or, at the option of the holder, by transfer to an account denominated in such currency with, a Bank.
- (c) **Payments in the United States of America:** Notwithstanding the foregoing, if any Materialised Notes are denominated in U.S. Dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States of America with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.
- (d) **Payments subject to Fiscal Laws:** All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives in the country in which payment is made but without prejudice to the provisions of Condition 8. No commission or expenses shall be charged to the holders of Notes, Receipts or Coupons in respect of such payments.
- (e) **Appointment of Agents:** The Fiscal Agent, the Paying Agents, the Calculation Agent and the Registration Agent initially appointed by the Issuer and their respective specified offices are listed below. The Fiscal Agent, the Paying Agents and the Registration Agent act solely as agents of the Issuer and the Calculation Agent(s) act(s) as independent experts(s) and, in each case such, do not assume any obligation or relationship of agency for any holder of Notes or Coupons. The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent, any other Paying Agent and the Registration Agent or the Calculation Agent(s) and to appoint additional or any other Paying Agent, provided that the Issuer shall at all times maintain (i) a Fiscal Agent, (ii) one or more Calculation Agent(s) where the Conditions so require, (iii) Paying Agents having specified offices in at least two (2) major European cities (including Luxembourg so long as the Notes are listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange and so long as the Notes are admitted to trading on any other Regulated Market, such other city where the Notes are admitted to trading), (iv) in the case of

Dematerialised Notes, in fully registered form, a Registration Agent, and (v) such other agents as may be required by the rules of any other Regulated Market on which the Notes may be listed and/or admitted to trading.

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

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

(f) **Unmatured Coupons and Receipts and unexchanged Talons:**

- (i) Unless Materialised Notes provide that the relative Coupons are to become void upon the due date for redemption of those Notes, Materialised Notes should be surrendered for payment together with all unexpired Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unexpired Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unexpired Coupon that the sum of principal so paid bears to the total principal due) shall be deducted from the Final Redemption Amount, Amortised Nominal Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, due for payment. Any amount so deducted shall be paid in the manner mentioned above against surrender of such missing Coupon within a period of ten (10) years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 10).
- (ii) If Materialised Notes so provide, upon the due date for redemption of any such Materialised Note, unexpired Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.
- (iii) Upon the due date for redemption of any Materialised Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
- (iv) Upon the due date for redemption of any Materialised Note that is redeemable in instalments, all Receipts relating to such Materialised Note having an Instalment Date falling on or after such due date (whether or not attached) shall become void and no payment shall be made in respect of them.
- (v) Where any Materialised Note that provides that the relative unexpired Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unexpired Coupons, and where any Bearer Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.
- (vi) If the due date for redemption of any Materialised Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Definitive Materialised Note. Interest accrued on a Materialised Note that only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Materialised Notes.

- (g) **Talons:** On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Materialised Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Fiscal Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 10), provided that, in respect of Notes listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange, such exchange shall always take place at the specified office of the Fiscal Agent or of the Paying Agent, as the case may be, in Luxembourg.

- (h) **Non-Business Days:** If any date for payment in respect of any Note, Receipt or Coupon is not a Business Day, the holder shall not be entitled to payment until the next following business day, nor to any interest or other sum in respect of such postponed payment. In this paragraph, "**Business Day**" means a day (other than a Saturday or a Sunday) (A) (i) in the case of Dematerialised Notes, on which Euroclear France is open for business or (ii) in the case of Materialised Notes, on which banks and foreign exchange markets are open for business in the relevant place of presentation, in such jurisdictions as shall be specified as "**Additional Financial Centres**" in the relevant Final Terms and (B) (i) (in the case of a payment in a currency other than Euro), where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the Principal Financial Centre of the country of such currency or (ii) (in the case of a payment in Euro), which is a TARGET Business Day.
- (i) **Bank:** For the purpose of this Condition 7, Bank means a bank in the principal financial centre of the relevant currency or, in the case of euro, in a city in which banks have access to the TARGET 2 System.
- (j) **Alternative Payment in U.S. Dollar:** Notwithstanding any other provision in these Conditions, if an Inconvertibility, Non-transferability or Illiquidity (each as defined below) occurs, or if Renminbi is otherwise not available to the Issuer as a result of circumstances beyond its control and such unavailability has been confirmed by a Renminbi Dealer, following which the Issuer is unable to satisfy payments of principal or interest (in whole or in part) in respect of Renminbi Notes, the Issuer on giving not less than five (5) nor more than thirty (30) calendar days irrevocable notice in accordance with Condition 15 to the Noteholders prior to the due date for payment, shall be entitled to satisfy its obligations in respect of any such payment by making any such payment (in whole or in part) in U.S. dollars on the due date at the U.S. dollar Equivalent of any such Renminbi denominated amount.

In such event, payments of the U.S. Dollar Equivalent of the relevant principal or interest in respect of the Notes shall be made by transfer to the U.S. dollar account of the relevant Account Holders for the benefit of the Noteholders. For the avoidance of doubt, any payment made under such circumstances of the U.S. Dollar Equivalent will constitute valid payment, and will not constitute a default in respect of the Notes within the meaning of Condition 9.

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

These provisions may be amended or supplemented in the relevant Final Terms.

For the purpose of this Condition 7(j):

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

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

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

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

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

"RMB Rate Calculation Agent" means the agent appointed from time to time by the Issuer for the determination of the RMB Spot Rate.

"RMB Rate Calculation Business Days" means a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange) in Hong Kong and in New York City.

"RMB Rate Calculation Date" means the day which is 2 RMB Rate Calculation Business Days before the due date for payment of the relevant Renminbi amount under the Conditions.

"RMB Spot Rate" for a RMB Rate Calculation Date means the spot U.S. dollar/CNY exchange rate for the purchase of U.S. dollars with CNY in the over-the-counter Renminbi exchange market in Hong Kong for settlement on the relevant due date for payment, as determined by the RMB Rate Calculation Agent at or around 11.00 a.m. (Hong Kong time) on such RMB Rate Calculation Date, on a deliverable basis by reference to Reuters Screen Page TRADCNY3, or if no such rate is available, on a non-deliverable basis by reference to Reuters Screen Page TRADNDF. If neither rate is available, the RMB Rate Calculation Agent will determine the RMB Spot Rate at or around 11:00 a.m. (Hong Kong time) on the RMB Rate Calculation Date as the most recently available U.S. dollar/CNY official fixing rate for settlement on the relevant due date for payment reported by The State Administration of Foreign Exchange of the PRC, which is reported on the Reuters Screen Page CNY=SAEC. Reference to a page on the Reuters Screen means the display page so designated on the Reuters Monitor Money Rates Service (or any successor service) or such other page as may replace that page for the purpose of displaying a comparable currency exchange rate.

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

8. **Taxation**

- (a) **Tax exemption for Notes:** All payments of principal, interest and other revenues by or on behalf of the Issuer in respect of the Notes shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within France or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law.
- (b) **Additional Amounts:** If French law should require that payments of principal or interest in respect of any Note, Receipt or Coupon be subject to deduction or withholding in respect of any present or future taxes or duties whatsoever, the Issuer will, to the fullest extent then permitted by law, pay such additional amounts as shall result in receipt by the holders of Notes or, if applicable, the holders of Receipts and Coupons, as the case may be, of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable with respect to any Note, Receipt or Coupon, as the case may be:
- (i) **Other connection:** to, or to a third party on behalf of, a holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note, Receipt or Coupon by reason of his having some connection with the Republic of France other than the mere holding of the Note, Receipt or Coupon; or

- (ii) **Presentation more than thirty (30) calendar days after the Relevant Date:** in the case of Materialised Notes, presented for payment more than thirty (30) calendar days after the Relevant Date (as defined under Condition 5 except to the extent that the holder would have been entitled to such additional amounts on presenting it for payment on the thirtieth day; or
- (iii) **Payment by another paying agent:** Definitive Materialised Notes presented for payment by or on behalf of a holder who would be able to avoid such withholding or deduction by presenting the relevant Note, Receipt or Coupon to another paying agent in a Member State of the European Union; or
- (iv) **Non-cooperative State or territory:** if the Notes do not benefit from any exception provided in the Administrative Doctrine (as defined below) and when such withholding or deduction is required to be made by reason of that interest, Receipt or Coupon being paid to an account held in, or paid or accrued to a person established or domiciled in, a non-cooperative State (*Etat ou territoire non-coopératif*) as defined in Article 238-0 A of the French *Code général des impôts* pursuant to Articles 125 A III, 119 bis 2 and 238 A of the same code.

The "**Administrative Doctrine**" means the following official doctrine of the French tax authorities, the *Bulletin Officiel des Finances Publiques – Impôts* (BOFiP-Impôts) BOI-INT-DG-20-50-20140211, no. 550 and 990, BOI-RPPM-RCM-30-10-20-40-20140211, no. 70 and BOI-IR-DOMIC-10-20-20-60-20150320, no. 10.

For the purposes of this Condition 8, (i) "**principal**" shall be deemed to include any premium payable in respect of the Notes, all Instalment Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts, Amortised Nominal Amounts and all other amounts in the nature of principal payable pursuant to Condition 6 or any amendment or supplement to it, (ii) "**interest**" shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 5 or any supplement to it and (iii) "**principal**" and/or "**interest**" shall be deemed to include any additional amounts that may be payable under this Condition.

- (c) **U.S. Taxation:** The discussion above does not address the tax consequences of the purchase, ownership or disposition of an interest in the Notes under United States federal, state or local tax law. Each prospective purchaser should consult its own tax adviser regarding such tax consequences.

9. **Events of Default**

The Representative (as defined in Condition 11) may, upon written notice to the Fiscal Agent given on behalf of the holders of Notes before all defaults shall have been remedied, cause the Notes to become immediately due and payable, whereupon the Notes shall become immediately due and payable at their principal amount plus interest accrued on the Notes, without any other formality, if any of the following events (each an "**Event of Default**") shall occur:

Unsubordinated Notes: in the case of Unsubordinated Notes:

- (i) the Issuer is in default for more than thirty (30) calendar days for the payment of principal of, or interest on or of any other relevant amount due on any Note (including for the payment of any Additional Amount (as defined under Condition 8(b)), when the same shall become due and payable; or
- (ii) the Issuer is in default in the performance of, or compliance with, any of its obligations under the Notes and such default has not been cured within forty five (45) calendar days after the receipt by the Fiscal Agent of the written notice of such default by the Representative upon request by a holder of Notes; or
- (iii) the Issuer is in default for the payment in principal of an aggregate amount of €50,000,000 (or its equivalent in any other currency) in respect of any Relevant Indebtedness (as defined in Condition 4 ("**Negative Pledge**")), which become due and are unpaid when due and upon expiry of any applicable grace period or for the payment of an aggregate amount in excess of

an amount of €50,000,000 (or its equivalent in any other currency) in respect of one (or several) guarantee(s) or indemnity (or indemnities) given in respect of one or several bonds, equivalent to and having the same ranking as the Notes, entered into by any third party when such guarantee(s) or indemnity (or indemnities) are due and are called upon,

unless, in respect of events described under paragraphs (ii) and (iii) above, the Issuer, acting in good-faith, challenges the early redemption or the default under such indebtedness or the validity of the enforcement of any such guarantee or indemnity before the competent court, in which case none of the events described here above will constitute an Event of Default until a final judgement has been rendered by the relevant Court; or

- (iv) the Issuer applies for or is subject to a conciliation procedure (*conciliation*) or a judgment issued for (i) the judicial reorganisation (*redressement judiciaire*) of the Issuer or (ii) the judicial liquidation (*liquidation judiciaire*) of the Issuer or for a transfer of the whole of the business (*cession totale de l'entreprise*) of the Issuer or if the Issuer is subject to any other insolvency or bankruptcy proceedings or if the Issuer makes any other arrangement for the benefit of its creditors or enters into a composition with its creditors, in each case to the extent permitted by applicable law.

10. **Prescription**

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

11. **Meetings of holders and waivers**

(a) **Representation of Noteholders**

The Noteholders will, in respect of all Tranches of the relevant Series, be grouped automatically for the defence of their common interests in a masse (the "**Masse**") which will be governed by the provisions of articles L.228-46 et seq. of the French *Code de commerce* as amended by this Condition 11.

The Masse alone, to the exclusion of all individual Noteholders, shall exercise the common rights, actions and benefits which may accrue with respect to the Notes, without prejudice to the rights that Noteholders may exercise individually in accordance with, and subject to, the provisions of the terms and conditions of the Notes.

(b) **Legal Personality**

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

(c) **Representative**

The names and addresses of the Representative and its alternate (if any), will be set out in the relevant Final Terms. The Representative appointed in respect of the first Tranche of any Series of Notes will be the Representative of the single Masse of all subsequent Tranches in such Series.

The Representative will be entitled to such remuneration in connection with its functions or duties as set out in the relevant Final Terms. No additional remuneration is payable in relation to any subsequent Tranche of any given Series.

In the event of death, liquidation, retirement, resignation or revocation of appointment of the Representative, such Representative will be replaced by its alternate, if any. In the event of death, liquidation, retirement, resignation or revocation of the alternate Representative, another Representative may be appointed.

All interested parties will at all times have the right to obtain the names and addresses of the Representative and the alternate Representative (if any) at the head office of the Issuer.

(d) **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, must be brought by or against the Representative.

(e) **Collective Decisions**

Collective Decisions are adopted either (i) in a general meeting (the "**General Meeting**"), or (ii) by the consent of one or more Noteholders holding together at least 80 per cent. of the principal amount of the Notes outstanding, following a written consultation (the "**Written Decision**") (as further described in Condition 11(e)(ii) below).

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 or the Registration Agent (as the case may be) 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 15 (*Notices*).

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

(i) **General Meeting**

A General Meeting may be called at any time 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 Notes outstanding, may address to the Issuer and the Representative a demand for a General Meeting to be called. If such General Meeting has not been called within two (2) months after such demand, the Noteholders may commission one of them to petition the competent court to appoint an agent (*mandataire*) who will call the General Meeting.

Notice of the date, time, place and agenda of any General Meeting will be published in accordance with Condition 15 (*Notices*) 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.

General Meetings may deliberate validly on first convocation only if holders of Notes 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. The decisions of the General Meeting shall be taken by a simple majority of votes held by holders of Notes attending such General Meeting or represented thereat.

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.

The General Meeting is chaired by the Representative. In the event of the absence of a Representative at the start of a General Meeting and if no Noteholder is present or represented at the General Meeting, the Issuer may, notwithstanding the provisions of Article L.228-64 of the French *Code de commerce*, designate a provisional chairman until a new Representative has been appointed.

Each Noteholder has the right to participate in a General Meeting in person, by proxy or by correspondence. Each Note carries the right to one vote or, in the case of Notes issued with more than one Specified Denomination, one vote in respect of each multiple of the lowest Specified Denomination comprised in the principal amount of the Specified Denomination of such Note.

(ii) **Written Decisions**

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

A. Written Unanimous Decision

Written Unanimous Decisions shall be signed by or on behalf of all the Noteholders without having to comply with formalities and time limits referred to in Condition 11(e)(a). Approval of a Written Unanimous Decision may also be given by way of electronic communication allowing the identification of Noteholders in accordance with Article L.228-46-1 of the French *Code de commerce* ("**Electronic Consent**"). Any such decision shall, for all purposes, have the same effect as a resolution passed at a General Meeting of such Noteholders. Such Written Unanimous 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.

B. Written Majority Decision

Notices seeking the approval of a Written Majority Decision will be published as provided under Condition 11(i) no less than fifteen (15) calendar days prior to the date fixed for the passing of such Written Majority Decision (the "**Written Majority Decision Date**"). Notices seeking the approval of a Written Majority 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 Majority Decision. Noteholders expressing their approval or rejection before the Written Majority Decision Date will undertake not to dispose of their Notes until after the Written Majority Decision Date.

Written Majority Decisions shall be signed by one or more Noteholders holding together at least eighty (80) per cent. of the principal amount of the Notes outstanding. Approval of a Written Majority Decision may also be given by Electronic Consent. Any Written Majority Decision shall, for all purposes, have the same effect as a resolution passed at a General Meeting of the Noteholders. Such Written Majority Decisions may be contained in one document, or in several documents in like form each signed by or on one behalf of one or more of the Noteholders.

(f) **Exclusion of certain provisions of the French *Code de commerce***

The provisions of Article L.228-65 I. 1° of the French *Code de commerce* and the related provisions of the French *Code de commerce* shall not apply to the Notes.

(g) **Expenses**

The Issuer shall pay all expenses relating to the operations of the Masse, including all expenses relating to the calling and holding of Collective Decisions 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.

(h) **Single Masse**

The holders of Notes of the same Series, and the holders of Notes of any other Series which have been assimilated with the Notes of such first mentioned Series in accordance with Condition 13 (*Further Issues*), shall, for the defence of their respective common interests, be grouped in a single Masse.

(i) **Sole Noteholder**

If and for so long as the Notes of any Series are held by a sole Noteholder and unless a Representative has been appointed in relation to such Series, such Noteholder shall exercise all powers, rights and obligations entrusted to the Representative and to the Noteholders acting through Collective Decisions by the provisions of the French *Code de commerce*. The Issuer shall hold a register of the decisions taken by the sole Noteholder in this capacity and shall make it available, upon request, to any subsequent holder of any of the Notes of such Series.

From the date of appointment of the Representative in relation to any Series, if and for so long as the Notes of such Series are held by a sole Noteholder, such Noteholder shall exercise all powers, rights and obligations entrusted to the Noteholders acting through Collective Decisions by the provisions of the French *Code de commerce*.

(j) **Notice to the Noteholders**

Any notice to be given to Noteholders in accordance with this Condition 11 shall be given in accordance with Condition 15 below.

(k) **Outstanding 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 in accordance with Article D.213-0-1 of the French *Code monétaire et financier* and not cancelled.

12. **Replacement of Definitive Materialised Notes, Receipts, Coupons and Talons**

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

13. **Further Issues**

The Issuer may from time to time without the consent of the holders of Notes, Receipts or Coupons create and issue further Notes to be assimilated (*assimilées*) and form a single series with the Notes provided such Notes and the further Notes carry rights identical in all respects (or in all respects save for the principal amount thereof and the first payment of interest as mentioned in the relevant Final Terms) and that the terms of such further Notes provide for such assimilation and references in these Conditions to "Notes" shall be construed accordingly.

14. **Change of Control**

(a) If Change of Control is specified as applicable in the relevant Final Terms, if at any time while any of the Notes remain outstanding:

- (i) there occurs a Change of Control; and
- (ii) a Rating Downgrade occurs or has occurred during the Change of Control Period and the Rating Agencies have publicly announced, or confirmed in writing to the Issuer, that such Rating Downgrade resulted, in whole or in part, from the Change of Control that has occurred or could occur (such confirmation to be immediately notified to the Fiscal Agent, the Representative and the Noteholders in accordance with Condition 15 (*Notices*)),

((i) and (ii) together, a "**Rate of Interest Increase Event**"), the Rate of Interest will be increased in accordance with the table set out in the relevant Final Terms.

(b) Such increased Rate of Interest shall apply as from and including the date (the "**Rate of Interest Increase Date**") that is the later of:

- (i) the date of the Change of Control; and
- (ii) the date of announcement of such Rating Downgrade,

for the remainder of the Interest Period in which the Rate of Interest Increase Date occurs (the interest payable in respect of such Interest Period being calculated on a pro rata basis by applying the Day Count Fraction) and for all subsequent Interest Periods until the redemption of such Notes.

The Issuer shall forthwith give notice to the Fiscal Agent of such increase in the Rate of Interest and shall notify the Noteholders thereof immediately in accordance with Condition 15 (*Notices*).

The Rate of Interest payable on the Notes will only be subject to adjustment as provided in this Condition upon the first occurrence of a Rate of Interest Increase Event and there shall be no further adjustments to the Rate of Interest upon the occurrence of any subsequent change in rating, whether upwards or downwards.

In the event that the rating of the senior unsecured debt of the Issuer is simultaneously downgraded by several Rating Agencies, the assigned rating, for the purpose of determining the applicable Rate of Interest in accordance with the table set out in the relevant Final Terms, shall be deemed to be:

- (i) the lowest rating assigned by any such Rating Agencies, if the senior unsecured debt of the Issuer is simultaneously rated as "investment grade" by a Rating Agency and as "non-investment grade" by one or several others Rating Agencies; or
- (ii) the highest rating assigned by any such Rating Agencies, if the senior unsecured debt of the Issuer is rated "non-investment grade" by all the Rating Agencies.

If any rating of the Issuer's senior unsecured debt is assigned by any Rating Agency or Rating Agencies other than or in addition to Moody's Deutschland GmbH and Standard and Poor's Credit Market Services France SAS, the ratings in the table set out in the relevant Final Terms shall be construed as if it referred to the equivalent ratings of such other or additional Rating Agency or Rating Agencies.

In the event that the Issuer's senior unsecured debt ceases at any time to have a rating assigned to it by at least one Rating Agency, the Issuer shall use its best endeavours to obtain a rating of its senior unsecured debt from a Rating Agency as soon as practicable.

In the event that (i) a formal public announcement of a Change of Control is made at a time when the Issuer's senior unsecured debt is not rated by any Rating Agency, and (ii) a Rating Agency then assigns within ninety (90) calendar days (inclusive) after the date of the Change of Control a rating to such debt, the new Rate of Interest shall be the one corresponding to such rating in the table set out in the relevant Final Terms. In such case, the new Rate of Interest shall apply from and including the date on

which the rating is so assigned by such Rating Agency, such date being the Rate of Interest Increase Date, for the remainder of the Interest Period in which the Rate of Interest Increase Date occurs (the interest payable in respect of such Interest Period being calculated on a pro rata basis by applying the Day Count Fraction) and for all subsequent Interest Periods until the redemption of such Notes. Should the Issuer's senior unsecured debt remain unrated after the end of the above mentioned ninety (90)-day period, the new Rate of Interest shall be the one corresponding to B3 or lower in the table set out in the relevant Final Terms. In such case, the new Rate of Interest shall apply from and including the day following the end of such ninety (90)-day period, such date being the Rate of Interest Increase Date, for the remainder of the Interest Period in which the Rate of Interest Increase Date occurs (the interest payable in respect of such Interest Period being calculated on a pro rata basis by applying the Day Count Fraction) and for all subsequent Interest Periods until the redemption of such Notes.

"Rating Agency" means Moody's Deutschland GmbH, Standard and Poor's Credit Market Services France SAS (or their successors) or any other rating organisation generally recognised by banks, securities houses and investors in the euro-markets provided that references herein to a Rating Agency shall only be to such Rating Agency as shall have been appointed by or on behalf of the Issuer to maintain a Rating and shall not extend to any such Rating Agency providing rating on an unsolicited basis.

A **"Rating Downgrade"** shall be deemed to have occurred in respect of a Change of Control if the rating previously assigned to the senior unsecured debt by two Rating Agencies or, if the senior unsecured debt is rated at the time by a single Rating Agency, by any Rating Agency is (i) withdrawn or (ii) changed from an investment grade rating (BBB-/Baa3, or their respective equivalents for the time being, or better) to a non-investment grade rating (BB+/Ba1, or their respective equivalents for the time being, or worse) or (iii) if the rating previously assigned to the senior unsecured debt by any Rating Agency was below an investment grade rating (as described above), lowered by at least one full rating notch (for example, from BB+/Ba1 to BB/Ba2 or their respective equivalents), provided that a Rating Downgrade otherwise arising by virtue of a particular change in rating shall be deemed not to have occurred in respect of a particular Change of Control if the Rating Agency making the change in rating does not publicly announce or confirm that such changes were the result, in whole or in part, of any event or circumstance comprised in or arising as a result of, or in respect of, the applicable Change of Control.

A **"Change of Control"** will be deemed to have occurred when (whether or not approved by the *Conseil d'administration* of the Issuer) any person or groups of persons acting in concert (*personnes agissant de concert*, as defined in Article L. 233-10 of the French *Code of Commerce*) other than any of the two principal shareholders of the Issuer as of the Issue Date at any time directly or indirectly gains "control" (as defined in Article L.233-3 I of the French *Code of Commerce*) of the Issuer.

"Change of Control Period" means the period commencing on the date that is the earlier of:

- (a) the date of the first formal public announcement that a Change of Control in respect of the Issuer has occurred; and
- (b) the date of the first formal public announcement or statement by the Issuer, any actual or potential bidder or any adviser thereto relating to any future Change of Control in respect of the Issuer (if any),

and ending ninety (90) days (inclusive) after the date of the first formal public announcement that such Change of Control in respect of the Issuer has occurred.

15. Notices

- (a) Subject to Condition 15(d), notices to the holders of Dematerialised Notes in registered form (*au nominatif*) shall be valid if either, (i) they are mailed to them at their respective addresses, in which case they will be deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the mailing, or, (ii) at the option of the Issuer, they are published in a leading daily newspaper of general circulation in Europe (which is expected to be the Financial Times). Provided that, so long as such Notes are listed and/or admitted to trading on any Regulated Market(s) and the

rules of such Regulated Market so require such publication, notices shall be valid if published in a leading daily newspaper with general circulation in the city/ies where the Regulated Market(s) on which such Notes are listed and/or admitted to trading is/are located, which in the case of the Regulated Market of the Luxembourg Stock Exchange, is expected to be the Luxemburger Wort or, in the case of the Official List of the Luxembourg Stock Exchange, on the website of the Luxembourg Stock Exchange (www.bourse.lu).

- (b) Subject to Condition 15(d), notices to the holders of Materialised Notes and Dematerialised Notes in bearer form shall be valid if published in a leading daily newspaper of general circulation in Europe (which is expected to be the Financial Times) and so long as such Notes are listed and/or admitted to trading on any Regulated Market(s) and the rules of such Regulated Market so require such publication, in a leading daily newspaper with general circulation in the city/ies where the Regulated Market(s) on which such Notes is/are listed and/or admitted trading is/are located, which in the case of the Regulated Market of the Luxembourg Stock Exchange, is expected to be the Luxemburger Wort or, in the case of the Official List of the Luxembourg Stock Exchange, on the website of the Luxembourg Stock Exchange (www.bourse.lu).
- (c) If any such publication is not practicable, notice shall be validly given if published in another leading daily English language newspaper with general circulation in Europe. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the date of the first publication as provided above. Holders of Coupons shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Materialised Notes in accordance with this Condition.
- (d) Notices required to be given to the holders of Dematerialised Notes (whether in registered or in bearer form) pursuant to these Conditions may be given by delivery of the relevant notice to Euroclear France, Euroclear, Clearstream and any other clearing system through which the Notes are for the time being cleared in substitution for the mailing and publication as required by Conditions 15(a), (b) and (c) above; except that so long as such Notes are listed and/or admitted to trading on any Regulated Market(s) and the rules of that Regulated Market so require, notices shall also be published in a daily newspaper with general circulation in the city/ies where the Regulated Market(s) on which such Notes are listed and/or admitted to trading is located.

16. **Governing Law and Jurisdiction**

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

TEMPORARY GLOBAL CERTIFICATES ISSUED IN RESPECT OF MATERIALISED NOTES

1. Temporary global certificates

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

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

2. Exchange

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

- (i) if the relevant Final Terms indicates that such Temporary Global Certificate is issued in compliance with the C Rules or in a transaction to which TEFRA is not applicable (as to which, see "Selling Restrictions"), in whole, but not in part, for the Materialised Notes and
- (ii) otherwise, in whole but not in part upon certification if required as to non-U.S. beneficial ownership (a form of which shall be available at the specified offices of any of the Paying Agents) for Definitive Materialised Notes.

3. Delivery of definitive materialised notes

On or after its Exchange Date, the holder of a Temporary Global Certificate may surrender such Temporary Global Certificate to or to the order of the Fiscal Agent. In exchange for any Temporary Global Certificate, the Issuer will deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated Definitive Materialised Notes. In this Base Prospectus, "**Definitive Materialised Notes**" means, in relation to any Temporary Global Certificate, the Definitive Materialised Notes for which such Temporary Global Certificate may be exchanged (if appropriate, having attached to them all Coupons and Receipts in respect of interest or Instalment Amounts that have not already been paid on the Temporary Global Certificate and a Talon). Definitive Materialised Notes will be security printed in accordance with any applicable legal and stock exchange requirements. Forms of such Definitive Materialised Notes shall be available at the specified offices of any of the Paying Agent(s).

4. Exchange date

"**Exchange Date**" means, in relation to a Temporary Global Certificate, the day falling after the expiry of forty (40) calendar days after its issue date, provided that, in the event any further Materialised Notes are issued prior to such day pursuant to Condition 13 the Exchange Date for such Temporary Global Certificate, may at the option of the Issuer, be postponed to the day falling after the expiry of forty (40) calendar days after the issue of such further Materialised Notes.

In the case of Materialised Notes with an initial maturity of more than 365 days (and that are not relying on the TEFRA C Rule), the Temporary Global Certificate shall bear the following legend:

ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES FEDERAL INCOME TAX LAWS INCLUDING THE LIMITATION PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED.

TAXATION

The statements herein regarding taxation are based on the laws in force in the European Union, the Republic of France, the Grand Duchy of Luxembourg, Hong Kong and the People's Republic of China as of the date of this Base Prospectus and are subject to any changes in law. The following overview does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to purchase, own or dispose of the Notes. Each prospective holder or beneficial owner of Notes should consult its tax adviser as to the tax consequences of any investment in or ownership and disposition of the Notes under the laws of the European Union, the Republic of France, the Grand Duchy of Luxembourg and/or any other jurisdiction.

All prospective holders should seek independent advice as to their tax positions.

France

French Withholding Tax

The following is an overview of certain tax considerations that may be relevant to Noteholders who do not concurrently hold shares of the Issuer.

Payments of interest and other revenues made by the Issuer with respect to the Notes will not be subject to the withholding tax set out under Article 125 A III of the French *Code général des impôts* unless such payments are made outside France to individuals or entities domiciled or established in a non-cooperative State or territory (*Etat ou territoire non coopératif*) within the meaning of Article 238-0 A of the French *Code général des impôts* (a "**Non-Cooperative State**") or paid in a bank account opened in a financial institution located in a Non-Cooperative State. If such payments under the Notes are made in a Non-Cooperative State, a 75% withholding tax will be applicable (subject (where relevant) to certain exceptions summarised below and the more favourable provisions of any applicable double tax treaty) by virtue of Article 125 A III of the French *Code général des impôts*, unless this Non-Cooperative State is referred to in Article 238-0 A-2 bis 2° of the French *Code général des impôts*.

Notwithstanding the foregoing, Article 125 A III of the French *Code général des impôts* provides that the 75% withholding tax will not apply in respect of a particular issue of Notes if the Issuer can prove that the principal purpose and effect of such issue of Notes were not that of allowing the payments of interest or other revenues to be made in a Non-Cooperative State (the "**Exception**"). Pursuant to the official regulation published by French tax authorities on 11 February 2014 (Bulletin Officiel des Finances Publiques – Impôts – BOI-INT-DG-20-50-20140211, Section n°990), an issue of Notes will benefit from the Exception without the Issuer having to provide any proof of the purpose and effect of the issue of Notes, if such Notes are:

- (i) offered by means of a public offer within the meaning of Article L 411-1 of the French *Code monétaire et financier* or pursuant to an equivalent offer made in a state or territory other than a Non-Cooperative State. For this purpose, an "equivalent offer" means any offer requiring the registration or submission of an offer document by or with a foreign securities market authority; or
- (ii) admitted to trading on a regulated market or on a French or foreign multilateral securities trading system provided that such market or system is not located in a Non-Cooperative State, and the operation of such market is carried out by a market operator, an investment services provider, or by such other similar foreign entity, provided further that such market operator, investment services provider or entity is not located in a Non-Cooperative State; or
- (iii) admitted, at the time of their issue, to the operations of a central depository or of a securities clearing and delivery and payments systems operator within the meaning of Article L. 561-2 of the French *Code monétaire et financier*, or of one or more similar foreign depositories or operators provided that such depository or operator are not located in a Non-Cooperative State.

Furthermore, by virtue of Article 238 A of the French *Code général des impôts*, interest and other income paid by or on behalf of the Issuer with respect to such Notes may no longer be deductible from the Issuer's taxable income if they are (i) paid or accrued to persons established or domiciled in a State or territory where they benefit from a preferential tax regime under the meaning of Article 238 A of the French *Code général des impôts* or in a Non-Cooperative State or (ii) paid to a bank account opened in a financial institution located in a State or territory where it benefits from a preferential tax regime under the meaning of Article 238 A of the

French *Code général des impôts* or in a Non-Cooperative State. Under certain conditions, any such non-deductible interest and other income may be recharacterised as deemed distributed income pursuant to Articles 109 *et seq.* of the French *Code général des impôts*, in which case such non-deductible interest and other income may be subject to the withholding tax set out under Article 119 *bis* 2 of the French *Code général des impôts*, at a rate of (i) 12.8% for payments benefitting to individuals who are not fiscally domiciled (*domiciliés fiscalement*) in France, (ii) 30% until 31 December 2019, 28% as from 1 January 2020, 26.5% as from 1 January 2021, 25% as from 1 January 2022 for payments benefitting to legal persons which are not fiscally domiciled (*domiciliés fiscalement*) in France, (iii) 75% for payments made in a Non-Cooperative State unless this Non-Cooperative State is referred to in Article 238-0 A-2 *bis* 2° of the French *Code général des impôts*, and subject in any case to the more favourable provisions of any applicable double tax treaty.

However, with respect to interest and other revenues paid under the Notes to persons domiciled or established in a State or territory where they benefit from a preferential tax regime or paid in a bank account opened in a financial institution located in a State or territory where it benefits from a preferential tax regime, neither the non-deductibility set out under Article 238 A of the French *Code général des impôts* nor the withholding tax set out under article 119 *bis* 2 of the same code will apply if the Issuer can prove that the relevant interest or revenues relate to genuine transactions and are not in an abnormal or exaggerated amount.

Furthermore, with respect to interest and other revenues paid under the Notes to persons domiciled or established in a Non-Cooperative State or paid in a bank account opened in a financial institution located in a Non-Cooperative State, neither the non-deductibility set out under article 238 A of the French *Code général des impôts* (as further specified by the official regulation (*Bulletin Officiel des Finances Publiques – Impôts* published by French tax authorities on 11 February 2014, BOI-INT-DG-20-50-20140211, Section n°550) nor the withholding tax set out in article 119 *bis* 2 of the French *Code général des impôts* will apply in respect of the issue of Notes if the Issuer can prove that (i) it can benefit from the Exception and (ii) the relevant interest or revenues relate to genuine transactions and are not an abnormal or exaggerated amount. Pursuant to the official guidelines published by French tax authorities on 11 February 2014 (*Bulletin Officiel des Finances Publiques – Impôts – BOI-INT-DG-20-50-20140211, Section n°550*), an issue of Notes will benefit from the Exception without the Issuer having to provide any proof of the purpose and effect of the issue of the Notes, if such Notes qualify to one of the three above-mentioned classifications.

Payments made to French resident individuals

Pursuant to Articles 125 A and 125 D of the French *Code général des impôts* subject to certain limited exceptions, interest and similar revenues received by individuals who are fiscally domiciled (*domiciliés fiscalement*) in France are subject to a 12.8% mandatory withholding tax, along with social contributions withheld at source at an aggregate of 17.2% (CSG, CRDS and other related contributions) i.e an overall withholding tax rate of 30% (*le prélèvement forfaitaire unique*). The 12.8% withholding should correspond to the final tax liability, except if the taxpayer has elected for income tax at progressive rates (from 0 to 45%) on all his/her investment income. If the withholding tax exceeds the personal income tax, the excess will be refunded. Practical steps to be taken for the purpose of levying this withholding tax will depend on the place where the paying agent is located. In this respect, holders of Notes who are French tax resident individuals (*domiciliés fiscalement en France*) are urged to consult with their usual tax adviser on the way the 12.8% levy and the 17.2% social security contributions are collected, where the paying agent is not located in France.

Luxembourg

The following is a general description of certain Luxembourg tax considerations relating to the Notes. It specifically contains information on taxes on the income from the Notes withheld at source and provides an indication as to whether the Issuer assumes responsibility for the withholding of taxes at the source. It does not purport to be a complete analysis of all tax considerations relating to the Notes, whether in Luxembourg or elsewhere. Prospective purchasers of the Notes should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of the Notes payments of interest, principal and/or other amounts under the Notes and the consequences of such actions under the tax laws of Luxembourg. This description is based upon the law as in effect on the date of this Base Prospectus. The information contained within this section is limited to withholding taxation issues, and prospective investors should not apply any information set out below to other areas, including (but not limited to) the legality of transactions involving the Notes.

All payments of interest (including accrued but unpaid interest) and principal by the Issuer in the context of the holding, disposal, redemption or repurchase of the Notes can be made free and clear of any withholding tax or

deduction for or on account of any taxes of whatsoever nature imposed, levied, withheld, or assessed by Luxembourg or any political subdivision or taxing authority thereof or therein, in accordance with the applicable Luxembourg law, subject however to the below.

According to the law of 23 December 2005, as amended, interest on Notes paid by a Luxembourg paying agent to an individual holder who is a resident of Luxembourg will be subject to a withholding tax of 20 per cent. Interest on Notes paid by a Luxembourg paying agent to a holder who is not an individual is not subject to withholding tax.

Pursuant to the law of 23 December 2005, as amended, Luxembourg resident individuals can opt to self-declare and pay a 20 per cent. levy on interest payments made by paying agents located outside Luxembourg, in a Member State of either the European Union or the European Economic Area. In such case, the 20 per cent. levy is calculated on the same amounts as for the payments made by Luxembourg paying agents. The option for the 20 per cent. levy must cover all interest payments made by paying agents to the beneficial owner during the entire civil year.

The 20 per cent. withholding tax as described above or the 20 per cent. levy are final when Luxembourg resident individuals are acting in the context of the management of their private wealth.

Responsibility for the withholding tax in application of the above-mentioned Luxembourg law of 23 December 2005, as amended, is assumed by the Luxembourg paying agent within the meaning of such law and not by the Issuer (unless the Issuer acts as paying agent).

Hong Kong

The following is a description of certain Hong Kong tax considerations relating to the purchase, ownership and disposition of the Notes by a beneficial owner of the Notes. This description is based on the tax laws of Hong Kong and their published interpretation as currently in effect and which are subject to change. This description is for general information only and does not address all of the Hong Kong tax considerations that may be relevant to specific holders in light of their particular circumstances.

Withholding tax

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

Profits tax

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

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

- interest on the Notes is derived from Hong Kong and is received by or accrues to a company (other than a financial institution), carrying on a trade, profession or business in Hong Kong;
- interest on the Notes is derived from Hong Kong and is received by or accrues to a person (other than a financial institution), carrying on a trade, profession or business in Hong Kong and is in respect of the funds of that trade, profession or business; or
- interest on the Notes is received by or accrues to a financial institution and arises through or from the carrying on by the financial institution of its business in Hong Kong.

Sums derived from the sale, disposal or redemption of Notes may be subject to the Hong Kong profits tax where received by or accrued to a person (other than a financial institution) who carries on a trade, profession or

business in Hong Kong and the sum has a Hong Kong source unless otherwise exempted. The source of such sums will generally be determined by having regard to the manner in which the Notes are acquired and disposed.

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

Stamp Duty

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

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

If stamp duty is payable, it is payable by the Issuer on the issue of bearer Notes at a rate of 3 per cent. of the market value of the Notes at the time of issue. No stamp duty will be payable on any subsequent transfer of bearer Notes.

People's Republic of China

The holders of Renminbi Notes who are not resident in the PRC for PRC tax purposes and who do not hold the Renminbi Notes in connection with an establishment or site (under Chinese domestic law) or a permanent establishment (where a tax treaty applies) in the PRC will not be subject to withholding tax, income tax or any other taxes or duties imposed by any governmental authority in the PRC in respect of their Renminbi Notes or any repayment of principal and payment of interest made thereon.

FORM OF FINAL TERMS

Final Terms dated [●]

[LOGO, if document is printed]

Imerys

**Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]
under the Euro 3,000,000,000 Euro Medium Term Note Programme**

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 more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments of 15 May 2014, as amended ("**MiFID II**"); or (ii) a customer within the meaning of Directive 2016/97/EU of the European Parliament and of the Council on insurance distribution of 20 January 2016, 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.

[MiFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes, taking into account the five categories referred to in item 18 of the Guidelines published by ESMA on 5 February 2018 has led to the conclusion that: (i) the target market for the Notes are 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 manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]¹⁰

PART A CONTRACTUAL TERMS

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the base prospectus dated 24 June 2019 [and the supplement[s] to the base prospectus dated [●]] which [together] constitute[s] a base prospectus for the purposes of Prospectus Directive (Directive 2003/71/EC), as amended or superseded (the "**Prospectus Directive**") (the "**Base Prospectus**"). This document constitutes the Final Terms of the notes described herein (the "**Notes**") for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus.]

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

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions which are the terms and conditions set forth in the base prospectus dated [9 June 2017]/[10 June 2016]/[5 June 2015]/[15 May 2014]/[3 May 2013] which are incorporated by reference in the base prospectus dated 24 June 2019 [and the supplement[s] to the base prospectus dated [●]] which [together] constitute[s] a base prospectus for the purposes of Prospectus Directive (Directive 2003/71/EC), as amended or superseded (the "**Prospectus Directive**") (the "**Base Prospectus**"). This document constitutes the Final Terms of the notes described herein (the "**Notes**") for the purposes of Article 5(4) of the Prospectus Directive and must be read in conjunction with the Base Prospectus.]

Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. [The Base Prospectus [and the supplement[s] to the Base

¹⁰ Legend to be included following completion of the target market assessment in respect of the Notes, taking into account the five categories referred to in item 18 of the Guidelines published by ESMA on 5 February 2018.

Prospectus] and the Final Terms are available for viewing at the office of the Paying Agent during normal business hours and are published on the websites of (a) the Luxembourg Stock Exchange (www.bourse.lu) and (b) the Issuer, at the following address (http://www.imerys.com/Scopi/Group/ImerysCom/imeryscom.nsf/pagesref/SCOI-8S4EZ3?opendocument&lang=fr&publi=11) and copies may be obtained free of charge from Imerys, 43, quai de Grenelle, 75015 Paris, France. [In addition¹¹, the Base Prospectus [and the supplement[s] to the Base Prospectus] [is] [are] available for viewing [at/on] [●]].

1. (i) Series Number: [●]
- (ii) Tranche Number: [●]
- (iii) [Date on which the Notes become fungible: [The Notes will be assimilated (*assimilées*) and form a single series with the existing [●] (*insert description of the Series*) issued by the Issuer on [●] (*insert date*) (the "**Existing Notes**") as from the date of assimilation which is expected to be on or about forty (40) calendar days after the Issue Date (the "**Assimilation Date**").]

2. **Specified Currency:** [Euro] / [U.S. Dollars] / [Japanese yen] / [Swiss francs] / [Sterling] / [Renminbi] / [●]

3. **Aggregate Nominal Amount of Notes:** [●]
 - (i) Series: [●]
 - (ii) Tranche: [●]

4. **Issue Price:** [●] per cent. of the Aggregate Nominal Amount of the Tranche [plus accrued interest for the period from and including the Interest Commencement Date to, but excluding, the Issue Date]

5. **Specified Denomination:** [●]

6. (i) Issue Date: [●]
- (ii) Interest Commencement Date: [[●] / Issue Date / Not Applicable]

7. **Maturity Date:** [●]

(Specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year)

8. **Interest Basis:** [[●] per cent. Fixed Rate / (*specify reference rate*) [+/-] [●] per cent. Floating Rate / Zero Coupon]

9. **Redemption/Payment Basis:** [Subject to any purchase, cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100 per cent. of the Aggregate Nominal Amount] / [Instalment Notes] (*further*

¹¹ If the Notes are admitted to trading on a Regulated Market other than the Luxembourg Stock Exchange.

particulars specified below)

10. Change of Interest Basis: [For the period from (and including) the Interest Commencement Date, up to (but excluding) [●] paragraph [13/14] applies and for the period from (and including) [●] the Maturity Date, paragraph [13/14] applies / Not Applicable]

11. Put/Call Options: [Put Option/ Call Option (Condition 6(c)(i))/ Clean-Up Call Option (Condition 6(c)(iv))/ Redemption at the Option of the Issuer in the event of a Rate of Interest Increase Event/ Make-Whole Redemption [*further particulars specified below*)] / Not Applicable]

12.

[Date of corporate authorisations for issuance of Notes obtained]: [Decision of the Board of Directors of the Issuer dated [●] [and of [●] [function] dated [●] (*N.B. Only relevant where Board (or similar) authorisation is required for the particular Tranche of Notes and if the resolution dated [●] 2019 is no longer in force or is not applicable*)]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

13. Fixed Rate Note Provisions: [Applicable / Not Applicable]

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

(i) Rate[(s)] of Interest: [●] per cent. *per annum* [payable [annually / semi-annually / quarterly / monthly / other (*specify*)] in arrear]

(ii) Interest Payment Date(s): [●] in each year up to and including the Maturity Date [adjusted in accordance with [●] (*specify Business Day Convention and any applicable additional Business Centre(s) for the definition of "Business Day"*¹²) / not adjusted]

(This may be amended in case of long or short coupon)

(iii) Fixed Coupon Amount(s)¹³: [●] per Specified Denomination

(iv) Broken Amount(s): [[●] per Specified Denomination, payable on the Interest Payment Date falling in /on [●] (*Insert particulars of any initial or final broken interest amounts which do not correspond with the Fixed Coupon Amount[(s)]*) / Not Applicable]

(v) Day Count Fraction: [Actual/365 / Actual/Actual - ISDA / Actual/Actual -ICMA / Actual/365 (Fixed) / Actual/360 / 30/360 / 360/360 / Bonds Basis / 30E/360 / Eurobond Basis]

¹² This option should be selected for Renminbi Notes

¹³ Not applicable for Renminbi Notes

(vi) Determination Dates: [●] in each year (*insert regular Interest Payment Dates, ignoring Issue Date or Maturity Date in the case of a long or short first or last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA)*)

14. Floating Rate Note Provisions: [Applicable / Not Applicable]

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

(i) Interest Period(s): [●]

(ii) Specified Interest Payment Dates: [●]

(iii) First Interest Payment Date: [●]

(iv) Business Day Convention: [Floating Rate Convention / Following Business Day Convention / Modified Following Business Day Convention / Preceding Business Day Convention] / [unadjusted]

(v) Business Centre(s): [●]

(vi) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination / ISDA Determination]

(vii) Party responsible for calculating the Rate(s) of Interest and / or Interest Amount(s) (if not the Fiscal Agent)¹⁴: [[●] shall be the Calculation Agent / Not Applicable (*no need to specify if the Fiscal Agent is to perform this function*)]

(viii) Screen Rate Determination: [Applicable / Not Applicable]

– Relevant Rate: [LIBOR/EURIBOR/EUR CMS/[●]]

(If the Rate of Interest is determined by linear interpolation in respect of an interest period, insert the relevant interest period(s) and the relevant two rates used for such determination)

– Interest Determination Date(s): [●]

– Page: [●]

– Reference Banks [[●] / Not Applicable]

– Specified Duration: [[●] / Not Applicable]

¹⁴ Renminbi Notes only

(ix) ISDA Determination: [Applicable / Not Applicable]

– Floating Rate Option: [●]

(If the Rate of Interest is determined by linear interpolation in respect of an interest period, insert the relevant interest period(s) and the relevant two rates used for such determination)

– Designated Maturity: [●]

– Reset Date: [●]

(x) Margin(s): [+/-] [●] per cent. *per annum*

(xi) Rate Multiplier: [[●] / [Not Applicable]]

(xii) Minimum Rate of Interest: [●] per cent. *per annum*

(xiii) Maximum Rate of Interest: [●] per cent. *per annum*

(xiv) Day Count Fraction: [Actual/365 / Actual/Actual - ISDA / Actual/Actual –ICMA / Actual/365 (Fixed) / Actual/360 / 30/360 / 360/360 / Bonds Basis / 30E/360 / Eurobond Basis]

15. Zero Coupon Note Provisions: [Applicable / Not Applicable]

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

(i) Amortisation Yield: [●] per cent. *per annum*

(ii) Day Count Fraction: [Actual/365 / Actual/Actual - ISDA / Actual/Actual –ICMA / Actual/365 (Fixed) / Actual/360 / 30/360 / 360/360 / Bonds Basis / 30E/360 / Eurobond Basis]

16. Change of Control: [Applicable / Not Applicable]

(Condition 14) *(If not applicable, delete the table below in this paragraph)*

Rate of Interest applicable on the Rate of Interest Increase Event:

Rating Downgrade	The new Rate of Interest will be as follows:
to Ba1 and BB+	[●] per cent. <i>per annum</i>
to Ba2 and BB	[●] per cent. <i>per annum</i>
to Ba3 and BB	[●] per cent. <i>per annum</i>
to B1 and B+	[●] per cent. <i>per annum</i>
to B2 and B	[●] per cent. <i>per annum</i>
to B3 and B- or lower	[●] per cent. <i>per annum</i>

PROVISIONS RELATING TO REDEMPTION

- 17(a) Call Option (Condition 6(c)(i)):** [Applicable / Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Optional Redemption Date(s) (Call): [●]
- (ii) Optional Redemption Amount(s) (Call) of each Note: [100 / [●] per Specified Denomination]
(Aggregate Nominal Amount of Notes plus interest)
- (iii) If redeemable in part: [Applicable/Not Applicable]
- (a) Minimum Redemption Amount: [●] per Specified Denomination
- (b) Maximum Redemption Amount: [●] per Specified Denomination
- (iv) Notice period: [●]
- 17(b) Clean-Up Call Option (Condition 6(c)(iv)):** [Applicable / Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- Early Redemption Amount(s) of each Note: [100 / [●] per Specified Denomination]
(Aggregate Nominal Amount of Notes plus interest)
- 17(c) Redemption at the Option of the Issuer in the event of a Rate of Interest Increase Event (Condition 6(d)):** [Applicable / Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Optional Redemption Amount(s) of each Note: [100 / [●] per Specified Denomination]
(Aggregate Nominal Amount of Notes plus interest)
- (ii) If redeemable in part: [Applicable/Not Applicable]
- (a) Minimum Redemption Amount: [●] per Specified Denomination
- (b) Maximum Redemption Amount: [●] per Specified Denomination
- 18. Make-Whole Redemption (Condition 6(c)(ii)):** [Applicable / Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Make-Whole Redemption Amount (If different from that as set out in the Conditions): [[●] / Not Applicable]
- (ii) Percentage Principal Amount: [●]

- (iii) If redeemable in part: [Applicable/Not Applicable]
 - (a) Minimum Redemption Amount: [●] per Specified Denomination
 - (b) Maximum Redemption Amount: [●] per Specified Denomination
- (iv) Make-Whole Redemption Margin: [●]
- (v) Reference Security: [Applicable / Not Applicable]
- (vi) Reference Screen Rate: [Applicable / Not Applicable]
- (vii) Quotation Agent: [Applicable / Not Applicable]
- (viii) Notice period: [●]

19. Put Option: [Applicable / Not Applicable]

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

- (i) Optional Redemption Date(s) (Put): [●]
- (ii) Optional Redemption Amount(s) (Put) of each Note: [●] per Specified Denomination
- (iii) Notice period: [●]

20. Final Redemption Amount of each Note: [●] per Specified Denomination

21. Early Redemption Amount (Tax):

Early Redemption Amount(s) (Tax) of each Note payable on redemption for taxation reasons on an Event of Default or other early redemption and/or the method of calculating the same (if required): [100 / [●] per Specified Denomination]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

23. Form of Notes: [Dematerialised Notes / Materialised Notes] *(Materialised Notes are only in bearer form)*

- (i) Form of Dematerialised Notes: [Applicable / Not Applicable] *(Specify if bearer form (au porteur) / registered form (au nominatif administré) / fully registered form (au nominatif pur))*
- (ii) Registration Agent: [Not Applicable / [●] (name and details)] *(Note that a Registration Agent may be appointed in relation to Dematerialised Notes in fully registered form (au nominatif*

pur) only)

- (iii) Temporary Global Certificate: [Temporary Global Certificate exchangeable for Definitive Bearer Materialised Notes on [●] (the "**Exchange Date**"), being forty (40) calendar days after the Issue Date subject to postponement as provided in the Temporary Global Certificate / Not Applicable]
- (iv) Applicable TEFRA exemption: [C Rules / D Rules / Not Applicable] (*Only applicable to Materialised Notes*)
- 24. Relevant Financial Centre(s) or other special provisions relating to payment dates:** [Not Applicable / [●]] (*give details*)
(Note that this item relates to the date and place of payment, and not interest period end dates, to which items 13 (ii) and 14(ii) relates)
- 25. Talons for future Coupons or Receipts to be attached to Definitive Bearer Materialised Notes (and dates on which such Talons mature):** [Yes / No] (*If yes, give details*)
- 26. Details relating to Instalment Notes:** [Not Applicable / [●]] (*give details*)
- (i) Instalment Amount(s) [●]
- (ii) Instalment Date(s) [●]
- 27. "Masse" (Condition 11)** Condition 11 applies.
[Name and address of the Representative: [●]]
Name and address of the alternate Representative: [●]
The Representative will receive no remuneration / The Representative will receive a remuneration of [●]

DISTRIBUTION

- 28. Method of distribution:** [Syndicated / Non-syndicated]
- 29. (i) If syndicated, names of Managers:** [Not Applicable / [●]] (*give names*)
- (ii) Stabilising Agent(s) (if any): [Not Applicable / [●]] (*give names*)
- 30. If non-syndicated, name of Dealer:** [Not Applicable / [●]] (*give name*)
- 31. US Selling Restrictions:** Reg. S Compliance Category 2; [TEFRA C / TEFRA D / TEFRA not applicable]

Signed on behalf of the Issuer:

By:

Duly authorised

**PART B
OTHER INFORMATION**

1. LISTING AND ADMISSION TO TRADING

- (i) Listing: [Official List of the Luxembourg Stock Exchange / other (*specify*) / None]
- (ii) Admission to trading: [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [the regulated market of the Luxembourg Stock Exchange / [●](*specify*)] with effect from [●] / Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [the regulated market of the Luxembourg Stock Exchange / [●] (*specify*)] with effect from [●] / Not Applicable]
- (where documenting a fungible issue need to indicate that Existing Notes are already admitted to trading.)*
- (iii) Estimate of total expenses related to listing and/or admission to trading: [●]

2. RATINGS

- Ratings: [The Notes to be issued are expected / have been rated: [●] by [Moody's Deutschland GmbH / Standard and Poor's Credit Market Services France SAS] / [●] / The Notes will not be rated.]
- [[●] (*Insert legal name of particular credit rating agency entity providing rating*) is established in the EEA and registered under Regulation (EC) No 1060/2009, as amended (the "**CRA Regulation**"). [●] (*Insert legal name of particular credit rating agency entity providing rating*) appears on the latest update of the list of registered credit rating agencies (as of [●] (*insert date of most recent list*)) published by ESMA. / [●] (*Insert legal name of particular credit rating agency entity providing rating*) is established in the EEA and has applied for registration under Regulation (EC) No 1060/2009, as amended (the "**CRA Regulation**"), although notification of the corresponding registration decision has not yet been provided by the European Securities and Markets Authority. / [●] (*Insert legal name of particular credit rating agency entity providing rating*) is established in the EEA and is neither registered nor has it applied for registration under Regulation (EC) No 1060/2009, as amended (the "**CRA Regulation**").]

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE / OFFER

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

["Save for any fees payable to the [Managers/Dealers] so far as this Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer." / [●]]

(When adding any other description, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.)

4. (Fixed Rate Notes only) – YIELD

Indication of yield: [[●] per cent. *per annum*] / [Not Applicable]

5. (Floating Rate Notes only) – HISTORICAL INTEREST RATES

[Details of historic [EURIBOR/LIBOR/EUR CMS] rates can be obtained from [●].

Benchmarks: Amounts payable under the Notes will be calculated by reference to [EURIBOR/LIBOR/EUR CMS] which is provided by [●]. As at [date], [●] [appears/does not appear] on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to Article 36 of Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds, as amended [(the "**Benchmarks Regulation**")]. [As far as the Issuer is aware the transitional provisions in Article 51 of the Benchmarks Regulation apply, such that EMMI is not currently required to obtain authorisation or registration (or, if located outside the European Union, recognition, endorsement or equivalence).] / [Not Applicable]

6. OPERATIONAL INFORMATION

(i) ISIN Code: [●]

(ii) Common Code: [●]

(iii) Depositories:

- Euroclear France to act as Central Depository [Yes / No]

- Common Depository for Euroclear SA/NV and Clearstream Banking S.A [Yes / No]

(iv) Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking S.A. and the relevant identification number(s): [Not Applicable / [●] (*give name(s) and number(s)*)]

(v) Delivery: Delivery [against / free of] payment

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

(viii) The aggregate principal amount of Notes issued [Not Applicable / Euro [●]]

has been translated into Euro at the rate of [●], producing a sum of (for Notes not denominated in Euro):

SUBSCRIPTION AND SALE

Overview of Dealer Agreement

Subject to the terms and on the conditions contained in an amended and restated dealer agreement dated 24 June 2019 (the "**Dealer Agreement**") between the Issuer, the Permanent Dealers and the Arrangers, the Notes will be offered on a continuous basis by the Issuer to the Permanent Dealers. However, the Issuer has reserved the right to sell Notes directly on its own behalf to Dealers that are not Permanent Dealers. The Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Notes may also be sold by the Issuer through the Dealers, acting as agents of the Issuer. The Dealer Agreement also provides for Notes to be issued in syndicated Tranches that are jointly and severally underwritten by two or more Dealers.

The Issuer will pay each relevant Dealer a commission as agreed between them in respect of Notes subscribed by it. The Issuer has entered into an agreement with the Arrangers for certain expenses incurred by them in connection with the update of the Programme. The commissions in respect of an issue of Notes on a syndicated basis will be stated in the relevant Final Terms.

The Issuer has agreed to indemnify the Permanent Dealers and each further Dealer appointed under the Programme against certain liabilities in connection with the offer and sale of the Notes. The Permanent Dealers have agreed, and each further Dealer appointed under the Programme will be required to agree, to indemnify the Issuer against certain liabilities in connection with the offer and sale of the Notes. The Dealer Agreement entitles the Dealers to terminate any agreement that they make to subscribe Notes in certain circumstances prior to payment for such Notes being made to the Issuer.

Selling Restrictions

United States

The Notes have not been and will not be registered under the U.S. Securities Act of 1933 as amended (the "**Securities Act**") or the securities laws of any U.S. State 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 the registration requirements of the Securities Act or such state securities laws. The Notes are being offered and sold only outside of the United States to non U.S. persons in reliance upon an exemption from registration. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act ("**Regulation S**").

Materialised Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended (the "**I.R. Code**") and promulgated regulations thereunder.

Each Permanent Dealer has agreed and each further Dealer appointed under the Programme will be required to represent, warrant and agree that, except as permitted by the Dealer Agreement, it has not offered or sold and it will not offer, sell or, in the case of Materialised Notes, deliver, Notes (i) as part of their distribution at any time or (ii) otherwise until 40 calendar days after the completion of the distribution of any identifiable Tranche as determined, and certified to the Issuer, by the Fiscal Agent, or in the case of Notes issued on a syndicated basis, the lead manager, within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each dealer to which it sells Notes during the distribution compliance period a confirmation or other notice setting forth 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, except that in the case of Materialised Notes, the term "U.S. person" also shall have the meaning given to it by the I.R. Code and the regulations thereunder.

The Notes are being offered and sold outside the United States to non-U.S. persons pursuant to and in reliance on Regulation S.

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

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

Selling Restrictions – Prohibition of Sales to EEA Retail Investors

Each Permanent Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Prospectus as completed by the Final Terms in relation thereto to any retail investor in the European Economic Area.

For the purposes of this provision:

- 1) the expression "**retail investor**" means a person who is one (or more) of the following:
 - a) a retail client as defined in point (11) of Article 4(1) of MiFID II; or
 - b) a customer within the meaning of Directive 2016/97/EU of the European Parliament and of the Council on insurance distribution of 20 January 2016, as amended, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; and
- 2) 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.

Selling Restrictions addressing Additional United Kingdom Securities Laws

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

- (a) ***No deposit-taking:*** in relation to any Notes having a maturity of less than one year:
 - (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business; and:
 - (ii) it has not offered or sold and will not offer or sell any Notes other than to persons:
 - (A) whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses; or
 - (B) who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses,where the issue of the Notes would otherwise constitute a contravention of section 19 of the FSMA by the Issuer;
- (b) ***Financial promotion:*** it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment

activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and

- (c) **General compliance:** it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

France

Each Permanent Dealer has represented and agreed, and each further Dealer under the Programme will be required to represent and agree, that it has not offered or sold, and will not offer or sell, directly or indirectly, Notes to the public in France and that offers and sales of Notes in France will be made only to (a) persons providing investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*) and/or to (b) qualified investors (*investisseurs qualifiés*), acting for their own account, as defined in, and in accordance with, Articles L.411-2 and D.411-1 of the French *Code monétaire et financier* and, as from 21 July 2019, Regulation (EU) 2017/1129, as amended and any applicable French law and regulation.

In addition, each Permanent Dealer has represented and agreed, and each further Dealer under the Programme will be required to represent and agree, that it has not distributed or caused to be distributed and will not distribute or cause to be distributed in France this Base Prospectus or any other offering material relating to the Notes other than to investors to whom offers and sales of Notes in France may be made as described above.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended) (the "**Financial Instruments and Exchange Act**"). Accordingly, each Permanent Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan, or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with the Financial Instruments and Exchange Act and other applicable laws, regulations and governmental guidelines of Japan. As used in this paragraph, "resident of Japan" means any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

Hong Kong

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

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

People's Republic of China (excluding Hong Kong, Macau and Taiwan)

Each Permanent Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has not offered or sold and will not offer or sell, directly or indirectly, any of the Notes in the PRC except as permitted by applicable PRC laws and

regulations.

Singapore

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

Where the Notes are subscribed or purchased in reliance on the exemption under Section 274 or 275 of the SFA, the Notes shall not be sold within the period of 6 months from the date of the initial acquisition of the Notes, except to any of the following persons:

- (a) an institutional investor;
- (b) a relevant person; or
- (c) any person pursuant to an offer referred to in Section 275(1A) of the SFA,

unless expressly specified otherwise in Section 276(7) of the SFA or Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 of Singapore.

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

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

(x) securities (as defined in Section 2(1) of the SFA) or securities-based derivatives contracts (as defined in Section 2(1) of the SFA) of that corporation or beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within 6 months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

- (1) where the transfer of such securities or such beneficiaries' rights and interests is (A) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA or (B) (in the case of such corporation) where the transfer arises from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (2) where no consideration is or will be given for the transfer;
- (3) where the transfer is by operation of law; or
- (4) pursuant to Section 276(7) of the SFA.

General

These selling restrictions may be modified by the agreement of the Issuer and the Permanent Dealers following a change in a relevant law, regulation or directive. Any such modification will be set out in a supplement to this Base Prospectus.

No action has been taken in any jurisdiction that would permit a public offering of any of the Notes, or possession or distribution of the Base Prospectus or any other offering material or any Final Terms, in any country or jurisdiction where action for that purpose is required.

Each Permanent Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree, that it will comply, to the best of its knowledge, with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes the Base Prospectus, any other offering material or any Final Terms. In no event, shall the Issuer nor any other Dealer have responsibility for the actions of such Dealer.

Each of the Permanent Dealers has further agreed, and each further Dealer appointed under the Programme will be required to further agree, that that it has not entered and will not enter into any sub-underwriting arrangement with respect to the distribution of the Notes with any person other than one of its subsidiaries or affiliates without the prior written consent of the Issuer. Each of the Permanent Dealers and the Issuer has represented and agreed, and each further Dealer appointed under the Programme will be required to agree, that Materialised Notes may only be issued outside France.

GENERAL INFORMATION

- (1) Application has been made to the *Commission de Surveillance du Secteur Financier* to approve this document as a base prospectus. Application may be made for the Notes to be listed on the Official List and traded on the Regulated Market of the Luxembourg Stock Exchange and/or on any other Regulated Market in a Member State of the EEA, as the case may be.

The Legal Entity Identifier (LEI) of the Issuer is 54930075MZSSIB2TGC64.

- (2) The Issuer has obtained all necessary corporate and other consents, approvals and authorisations in the Republic of France in connection with the update of the Programme. Any drawdown of Notes under the Programme, to the extent that such Notes constitute *obligations*, requires the prior authorisation of the *Conseil d'administration* of the Issuer. Pursuant to Article L.228-40 of the French *Code de commerce*, the *Conseil d'administration* of the Issuer authorised on 10 May 2019 (i) Conrad Keijzer, *Directeur Général* of the Issuer, acting alone, and Olivier Pirotte and Frédérique Berthier Raymond, acting jointly, to issue Notes and determine their characteristics within the period of one (1) year and the limit of a maximum annual nominal amount of € 1,500,000,000 and a maximum nominal amount per issue of €350,000,000 and, as a consequence, conclude all documents regarding the update of the Programme. Further approvals of the *Conseil d'administration* of the Issuer may be provided for in the relevant Final Terms, if required.
- (3) Save as disclosed in section "*Recent Developments*" on pages 33 to 42 of this Base Prospectus, there has been no significant change in the financial or trading position of the Group since 31 December 2018.
- (4) Save as disclosed in section "*Recent Developments*" on pages 33 to 42 of this Base Prospectus, there has been no material adverse change in the prospects of Imerys since 31 December 2018.
- (5) Save as disclosed on pages 75, 258, 292 and 301 of the 2018 Registration Document, to the best of the Issuer's knowledge, no potential conflicts of interest exist between the duties of the Directors with respect to the Issuer and their private interests and/or other duties at the date of this Base Prospectus.
- (6) Save as disclosed on pages 43, 125, 234 to 235 and 261 of the 2018 Registration Document, during the 12 months preceding the date of this Base Prospectus, there have been no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) which may have, or have had in the recent past, significant effects on the Group's financial position or profitability.
- (7) Each Definitive Materialised Note, Receipt, Coupon and Talon will bear the following legend: "Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in sections 165(j) and 1287(a) of the Internal Revenue Code".
- (8) The Notes have been accepted for clearance through the Euroclear and Clearstream systems. The Notes will be inscribed in the books of Euroclear France (acting as central depository) which shall credit the accounts of the Account Holders at the following address: Euroclear France, 66 rue de la Victoire, 75009 Paris, France. The Common Code, the International Securities Identification Number (ISIN) and (where applicable) the identification number for any other relevant clearing system for each Series of Notes will be set out in the relevant Final Terms.

The address of Euroclear is 1 boulevard du Roi Albert II, 1210 Bruxelles, Belgium and the address of Clearstream is 42 avenue John Fitzgerald Kennedy, L-1855 Luxembourg, Grand-Duchy of Luxembourg.

- (9) So long as any of the Notes remain outstanding, copies of this Base Prospectus, the 2018 Registration Document, the 2017 Registration Document, the 2017 Conditions, the 2016 Conditions, the 2015 Conditions, the 2014 Conditions, the 2013 Conditions, the amended and restated Agency Agreement and the *statuts* (by-laws) of the Issuer will be available for inspection and copies of the most recent annual and semi-annual financial statements of the Issuer will be obtainable, free of charge, at the

specified offices for the time being of the Paying Agent during normal business hours. This Base Prospectus and all the documents incorporated by reference in this Base Prospectus are also available on the website of the Luxembourg Stock Exchange (www.bourse.lu).

- (10) Ernst & Young et Autres (1/2 Place des Saisons - 92400 Courbevoie Paris – La Défense 1- France) and Deloitte & Associés (6 place de la Pyramide - 92908 Paris La Défense - France) are the statutory auditors of the Issuer. Ernst & Young et Autres and Deloitte & Associés have audited, and rendered unqualified reports on, the consolidated financial statements of the Issuer as at, and for the two years ended 31 December 2017 and 31 December 2018. Ernst & Young et Autres and Deloitte & Associés are registered as Commissaires aux Comptes (members of the *Compagnie Régionale des Commissaires aux Comptes de Versailles*) and regulated by the *Haut Conseil du Commissariat aux Comptes*.
- (11) In relation to any Tranche of Fixed Rate Notes, an indication of the yield in respect of such Notes will be specified in the applicable Final Terms. The yield is calculated at the Issue Date of the Notes on the basis of the relevant Issue Price. The yield indicated will be calculated as the yield to maturity as at the Issue Date of the Notes and will not be an indication of future yield.
- (12) In this Base Prospectus, unless otherwise specified or the context otherwise requires, references to "€", "Euro", "EUR" or "euro" are to the single currency of the participating member states of the European Union which was introduced on 1 January 1999, references to "£", "pounds sterling", "GBP" or "Sterling" are to the lawful currency of the United Kingdom, references to "\$", "USD" or "U.S. Dollars" are to the lawful currency of the United States of America, references to "¥", "JPY", "Japanese yen" or "Yen" are to the lawful currency of Japan, references to "Swiss francs" or "CHF" are to the lawful currency of the Helvetic Confederation, and references to "Renminbi", "RMB" or "CNY" mean Renminbi Yuan and are to the lawful currency of the People's Republic of China (the "PRC"), excluding the Hong Kong Special Administrative Region, Macau Special Administrative Region and Taiwan.
- (13) In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) named as the Stabilising Manager(s) (the "**Stabilising Manager(s)**") (or persons acting on behalf of any Stabilising Manager(s)) in the applicable Final Terms may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 calendar days after the issue date of the relevant Tranche of Notes and 60 calendar days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager(s)) in accordance with all applicable laws and rules.
- (14) In the ordinary course of their business activities, the Arrangers, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or Issuer's affiliates. Certain of the Arrangers, the Dealers or their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, the Arrangers and/or such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such short positions could adversely affect future trading prices of Notes issued under the Programme. The Arrangers, the Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.
- (15) Amounts payable under the Floating Rate Notes may be calculated by reference to EURIBOR, LIBOR or EUR CMS which are provided by the European Money Markets Institute ("**EMMI**") in the case of EURIBOR and the ICE Benchmark Administration Limited ("**ICE**") in the case of LIBOR and EUR CMS. As at the date of this Base Prospectus, only ICE appears on the register of administrators and benchmarks established and maintained by ESMA pursuant to the Benchmarks Regulation. As far as

the Issuer is aware, the transitional provisions in Article 51 of the Benchmarks Regulation apply, such that the EMMI is not currently required to obtain authorisation or registration (or, if located outside the European Union, recognition, endorsement or equivalence). The relevant Final Terms in respect of an issue of Floating Rate Notes may specify the relevant benchmark, the relevant administrator and whether such administrator appears on the ESMA register referred to above.

Registered Office of the Issuer

Imerys
43, quai de Grenelle
75015 Paris
France

Arrangers

BNP PARIBAS
10 Harewood Avenue
London NW1 6AA
United Kingdom

Natixis
30, avenue Pierre Mendès France
75013 Paris
France

Permanent Dealers

BNP PARIBAS
10 Harewood Avenue
London NW1 6AA
United Kingdom

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

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

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

ING Bank N.V. Belgian Branch
Avenue Marnixlaan 24
B-1000 Bruxelles
Belgium

MUFG Securities (Europe) N.V.
World Trade Center, Tower H, 11th
Floor
Zuidplein 98
1077 Xv Amsterdam
The Netherlands

Natixis
30, avenue Pierre Mendès France
75013 Paris
France

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

Société Générale
29 Boulevard Haussmann
75009 Paris
France

Fiscal Agent, Principal Paying Agent and Calculation Agent

BNP Paribas Securities Services
Corporate Trust Services
Grands Moulins de Pantin
3-5-7 rue du Général Compans
93500 Pantin
France

Paying Agent

BNP Paribas Securities Services

Corporate Trust Services
Grands Moulins de Pantin
3-5-7 rue du Général Compans
93500 Pantin
France

Luxembourg Listing Agent

BNP Paribas Securities Services

60, avenue J.F. Kennedy
L – 2085 Luxembourg

Auditors to the Issuer

Ernst & Young et Autres
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92400 Courbevoie Paris – La Défense 1
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Deloitte & Associés
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as to French Law

To the Issuer

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