

Offering Memorandum dated 13 October 2021



KORIAN

(incorporated with limited liability in the Republic of France)

€300,000,000 2.250 per cent. Social Notes due 15 October 2028

The €300,000,000 2.250 per cent. Social Notes due 15 October 2028 (the “Notes”) of Korian (the “Issuer”) will be issued on 15 October 2021 (the “Issue Date”).

Each Note will bear interest on its principal amount from (and including) the Issue Date to (but excluding) 15 October 2028 (the “Maturity Date”) at a rate of 2.250 per cent. per annum payable annually in arrear on 15 October in each year and commencing on 15 October 2022, as further described in Condition 4 (*Interest*) of the Terms and Conditions of the Notes.

The Notes and the interest thereon, constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer, and rank, and will at all times rank, *pari passu* without any preference amongst themselves and (subject to exceptions imposed by French law) equally and rateably with all other present or future unsecured and unsubordinated obligations of the Issuer.

The Issuer may, at its option, (i) from (and including) the Pre-Maturity Call Option Start Date to (but excluding) the Maturity Date (as defined below), redeem the outstanding Notes, in whole (but not in part), at their principal amount plus accrued interest, as described under Condition 6.2 (*Pre-Maturity Call Option*) of the Terms and Conditions of the Notes, (ii) at any time and from time to time prior to the Pre-Maturity Call Option Start Date, redeem all but not some only of the Notes then outstanding at their relevant Make-whole Redemption Amount together with accrued interest in accordance with the provisions set out in Condition 6.3 (*Make-whole Redemption by the Issuer*) of the Terms and Conditions of the Notes and (iii) at any time prior to the Maturity Date, redeem the Notes, in whole (but not in part), at their principal amount plus accrued interest, in the event 80 per cent. of the Notes have been redeemed or purchased and cancelled, in accordance with the provisions set out in Condition 6.5 (*Clean-Up Call Option*) of the Terms and Conditions of the Notes. The Issuer may also, at its option, and in certain circumstances must, redeem all (but not some only) of the Notes then outstanding at any time at their principal amount plus accrued interest in the event of certain tax changes, as further described in Condition 6.4 (*Redemption for Taxation Reasons*) of the Terms and Conditions of the Notes.

In addition, each Noteholder may, at its option, in the event of a Change of Control, request from the Issuer the redemption of all or part of its Notes at their principal amount plus accrued interest, as further described in Condition 6.6 (*Redemption or Purchase following a Change of Control*) of the Terms and Conditions of the Notes.

Unless previously redeemed or purchased and cancelled, the Notes will be redeemed at their principal amount on their Maturity Date.

This Offering Memorandum has been prepared for the purposes of giving information with regard to Korian and its fully consolidated subsidiaries taken as a whole (the “Group”), which is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of Korian and the Group, the rights attaching to the Notes, the reason for the issuance and its impact on the Issuer and the Group.

There is currently no public market for the Notes. Application has been made to Euronext Dublin (“Euronext Dublin”) for the approval of this document as Listing Particulars. Application has been made to Euronext Dublin for the Notes to be admitted to the official list (the “Official List”) and to trading on the Global Exchange Market (the “GEM”) which is the exchange regulated market of the Euronext Dublin. The GEM is not a regulated market for the purposes of Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments. This Offering Memorandum has been approved as Listing Particulars by Euronext Dublin.

The Notes will be issued in dematerialised bearer form (*au porteur*) in the denomination of €100,000 each. Title to the Notes will be evidenced in accordance with Articles L.211-3 *et seq.* and R.211-1 *et seq.* of the French *Code monétaire et financier* by book-entries (*inscription en compte*). No physical documents of title (including *certificats représentatifs* pursuant to Article R.211-7 of the French *Code monétaire et financier*) will be issued in respect of the Notes. The Notes will, upon issue, be inscribed in the books of Euroclear France (“Euroclear France”) which shall credit the accounts of the Account Holders. “Account Holder” shall mean any intermediary institution entitled to hold, directly or indirectly, accounts on behalf of its customers with Euroclear France, and includes Euroclear Bank SA/NV (“Euroclear”) and the depositary bank for Clearstream Banking S.A. (“Clearstream”).

As of the date of this Offering Memorandum, neither the Notes nor the long-term debt of the Issuer are rated.

Copies of this Offering Memorandum and the documents incorporated by reference herein will be available on the website of the Issuer (www.korian.com).

Prospective investors should have regard to the risk factors described under the section headed “Risk factors” in this Offering Memorandum.

Joint Global Coordinators and Joint Bookrunners

BNP Paribas

BofA Securities

**Société Générale
Corporate & Investment Banking**

Joint Bookrunners

Crédit Agricole CIB

CIC Market Solutions

HSBC

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This Offering Memorandum is to be read and construed in conjunction with the documents incorporated by reference in this Offering Memorandum (see “Documents Incorporated by Reference” below) which have been previously published by the Issuer and which shall be deemed to be incorporated by reference in, and form part of, this Offering Memorandum (except to the extent so specified in, or to the extent inconsistent with, this Offering Memorandum).

Any websites included in this Offering Memorandum (including for the avoidance of doubt any information on the websites which appear in the documents incorporated by reference) are for information purposes only and do not form part of this Offering Memorandum.

No person has been authorised to give any information or to make any representation other than those contained in this Offering Memorandum in connection with the issue or sale of any Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or the Joint Bookrunners (as defined herein). Neither the delivery of this Offering Memorandum nor the offering, sale or delivery of the Notes shall, under any circumstances, create any implication that there has been no change in the affairs of the Group since the date hereof or that there has been no adverse change in the financial position of the Issuer or the Group since the date hereof or that any other information supplied in connection with this Offering Memorandum 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 Issuer accepts responsibility for the information contained in this Offering Memorandum. To the best of the knowledge of the Issuer (having taken all reasonable care to ensure that such is the case) the information contained in this Offering Memorandum is in accordance with the facts and does not omit anything likely to affect the import of such information.

The distribution of this Offering Memorandum and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Memorandum comes are required by the Issuer and the Joint Bookrunners to inform themselves about and to observe any such restriction. For a description of certain restrictions on offers and sales of Notes and on distribution of this Offering Memorandum, see “Subscription and Sale”.

IMPORTANT - EEA RETAIL INVESTORS – *The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the “EEA”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU, as amended (“MiFID II”) or (ii) a customer within the meaning of Directive (EU) 2016/97, as amended, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014, as amended (the “PRIIPs Regulation”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.*

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

MIFID II product governance / Professional investors and eligible counterparties only target market – Solely for the purposes of each manufacturer’s product approval process, the target market assessment in respect of the Notes, has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the manufacturers’ target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers’ target market assessment) and determining appropriate distribution channels.

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”) NOR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. SUBJECT TO CERTAIN EXCEPTIONS, NOTES MAY NOT BE OFFERED, SOLD OR DELIVERED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS. (AS DEFINED IN THE SECURITIES ACT).

This Offering Memorandum does not constitute an offer of, or an invitation by or on behalf of the Issuer or the Joint Bookrunners to subscribe for, or purchase, any Notes.

The Joint Bookrunners have not separately verified the information or representation contained or incorporated by reference in this Offering Memorandum. The Joint Bookrunners do not have any fiduciary duties to investors and therefore assume no liability or obligation to investors. The Joint Bookrunners make no representation, express or implied, and do not accept any responsibility, with respect to the accuracy or completeness of any of the information in this Offering Memorandum. The Joint Bookrunners do not make any representation, express or implied and do not accept any responsibility with respect to the accuracy and sincerity of any information or representations contained in this Offering Memorandum. Neither this Offering Memorandum nor any other information incorporated by reference in this Offering Memorandum is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Issuer or the Joint Bookrunners that any recipient of this Offering Memorandum or any other information incorporated by reference should subscribe for or purchase the Notes. In making an investment decision regarding the Notes, prospective investors must rely on their own independent investigation and appraisal of the Issuer, its business and the terms of the offering, including the merits and risks involved. For further details, see “Risk Factors” herein. The contents of this Offering Memorandum are not to be construed as legal, business or tax advice. Each prospective investor should subscribe for or consult its own advisers as to legal, tax, financial, credit and related aspects of an investment in the Notes. The Joint Bookrunners do not undertake to review the financial condition or affairs of the Issuer or the Group during the life of the arrangements contemplated by this Offering Memorandum nor to advise any investor or potential investor in the Notes of any information coming to the attention of the Joint Bookrunners.

IMPORTANT CONSIDERATIONS

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 investing in or holding the Notes.

Each prospective investor should consult its own advisers as to legal, tax and related aspects of an investment in the Notes. A prospective investor may not rely on the Issuer or the Joint Bookrunners 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.

Regulatory Restrictions

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

Certain tax considerations

Potential purchasers and sellers of the Notes should be aware that they may be required to pay taxes or documentary charges or duties in accordance with the laws and practices of the jurisdiction where the Notes are transferred or other jurisdictions. Payments of interest and other amounts under the Notes may also be subject to taxation. In some jurisdictions, no official statements of the tax authorities or court decisions may be available for the tax treatment of financial instruments such as the Notes. The tax impact on an individual Noteholder may differ from the situation for Noteholders generally. Potential investors are advised to ask for their own tax adviser's advice on their individual taxation with respect to the acquisition, holding, disposal and redemption of the Notes. Only these advisers are in a position to duly consider the specific situation of the potential investor.

Conflicts of Interest

The Joint Bookrunners, the Make-whole Calculation Agent and their respective affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Issuer and its affiliates in the ordinary course of business. In addition, in the ordinary course of their business activities, the Joint Bookrunners, the Make-whole Calculation Agent and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or Issuer's affiliates. The Joint Bookrunners, the Make-whole Calculation Agent or their respective 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 Joint Bookrunners, the Make-whole Calculation Agent and their respective 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. The Joint Bookrunners, the Make-whole Calculation Agent and their respective 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.

The Notes are complex instruments that may not be a suitable investment for all investors

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

- (a) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Offering Memorandum or any applicable supplement;*
- (b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;*
- (c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including where the currency for principal or interest payments is different from the potential investor's currency;*
- (d) understand thoroughly the terms of the Notes and be familiar with the behavior of financial markets and with the regulatory framework applicable to the Issuer;*

- (e) *be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks; and*
- (f) *consult its legal advisers in relation to possible legal or fiscal risks that may be associated with any investment in the Notes.*

Some potential investors are subject to restricting investment regulations. These potential investors should consult their legal counsel in order to determine whether investment in the Notes is authorised by law, whether such investment is compatible with their other borrowings or whether the Notes can be used as collateral for any such borrowings and whether other selling restrictions are applicable to them.

Legality of Purchase

Neither the Issuer, the Joint Bookrunners 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.

Absence of rating

Neither the Notes nor the long-term debt of the Issuer are rated. One or more independent credit rating agencies may assign credit ratings to the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed below, and other factors that may affect the value of the Notes. A rating or the absence of a rating is not a recommendation to buy, sell or hold securities.

Important notice relating to the Use of Proceeds

Prospective investors should have regard to the information set out in the “Use of Proceeds” section of this Offering Memorandum and must determine for themselves the relevance of such information for the purpose of any investment in the Notes together with any other investigation such investor deems necessary. In particular, no assurance is given by the Issuer that the use of an amount equal to such proceeds for any Eligible Social Project will satisfy, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations (including Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment) or by its own by-laws or other governing rules or investment portfolio mandates, in particular with regard to any direct or indirect environmental, sustainability or social impact of any projects or uses, the subject of or related to, any Eligible Social Project.

None of the Joint Bookrunners makes any representation as to the suitability of the Notes to fulfil social criteria required by any prospective investors. The Joint Bookrunners have not undertaken, nor are responsible for, any assessment of the Eligible Social Projects (as defined in “Use of Proceeds”), any verification of whether the Eligible Social Projects meet the eligibility criteria or the monitoring of the use of proceeds.

No assurance or representation is given as to the suitability or reliability for any purpose whatsoever of the second party opinion provided by S&P Global Ratings (the “Second Party Opinion”) or any opinion or certification of any third party (whether or not solicited by the Issuer) which may be made available in connection with the issue of the Notes and in particular with any Eligible Social Project to fulfil any social and/or other criteria. For the avoidance of doubt, neither the Second Party Opinion, nor any such other opinion or certification is, or shall be deemed to be, incorporated in and/or form part of this Offering Memorandum.

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RISK FACTORS

The Notes are being offered to professional investors only and are not suitable for retail investors. Investors should not purchase the Notes in the primary or secondary markets unless they are professional investors. Investing in the Notes involve risks.

The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Notes and may be material for the purpose of assessing the market risks associated with the Notes. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.

Factors which the Issuer believes are specific to the Issuer and/or the Notes and material for an informed investment decision with respect to investing in the Notes are described below.

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

Terms used but not defined in this section shall have the same meaning as that set out in the “Terms and Conditions of the Notes” and on the cover page of this Offering Memorandum.









A. Risk Factors relating to the Issuer



The Issuer continually reviews the risks to which it is exposed and updates its risk map on a regular basis. The risks described below are those that the Issuer considers, at the date of this Offering Memorandum, as potentially having a material impact on the Group, its business, financial position, results or development.

The most material risk factors in each risk category are presented in order of materiality. The Issuer provides the following information for each of the risks presented below:

- a presentation of gross risk, as it arises during the course of the Issuer’s business;
- a presentation of the control mechanisms implemented by the Issuer for the purposes of managing said risk which are based on an accountability system that is defined and formalised at each level of the organisation, in particular through delegations of power and internal policies and procedures.


By applying these measures to gross risk, the Issuer is able to analyse net risk with the criticality of said net risk assessed based on a joint analysis of two criteria: (i) the probability of the risk materialising and (ii) the estimated scale of its negative (financial and non-financial) impact. A presentation of risk factors by category is summarised in the table below, with the criticality of each risk factor indicated according to a three-level scale: low, medium or high.

Risk category	Risk factor	Criticality of the risk factor	ESG
Operational risks	• Coronavirus (Covid-19) pandemic	High	
	• Treatment and care	High	
	• Reputation	High	
	• Recruitment and employee retention	High	
	• Information systems, cybersecurity and personal data protection	Medium	
	• People safety	Medium	
Strategic risks	• Business development and external growth	Medium	
	• Digital and data-driven transformation	Medium	
	• Property development and construction	Medium	
	• Regulations and rates	High	

Legal, ethical and regulatory risks	• Global warming and environmental damage	Medium	
	• Business ethics	Medium	
Economic and financial risks	• Uncertainty surrounding market conditions following the coronavirus (Covid-19) pandemic	High	
	• Liquidity risk	Medium	
	• Rate risk	Low	
	• Rental expenses	Low	

The list of risks described above cannot be considered exhaustive as the Group cannot rule out the possibility that other risks might materialise in the future and generate a materially adverse impact.

The Group's top priority during the coronavirus (Covid-19) pandemic is to protect its residents, patients and staff, in concert with the health authorities, families and care assistants. Since the crisis began in Europe, each Korian facility has taken appropriate measures and adapted them to changing circumstances to the best of their knowledge based on information available at the time and in strict compliance with the directives issued by the health authorities in an effort to limit the effects on its residents, patients and staff. However, the pandemic is still ongoing and the Group is thus unable to establish a definitive and conclusive appraisal of all the consequences it might have on its business and more broadly on the economic context as a whole. More details can be found in section 5.1 of the 2020 Korian Universal Registraton Document (as defined below).

Some of the risks described in this chapter are associated with social, environmental or governance (ESG) issues. These main non-financial risks are indicated in the tables below with the symbol . Chapter 3 of the 2020 Korian Universal Registraton Document document provides more details about the policies introduced by Korian, particularly as part of its ESG strategy, to identify, prevent and mitigate the occurrence of these risks; it also presents the outcomes of these policies.

1 Operational risks

1.1 Coronavirus (Covid-19) pandemic

Description of the risk	Policies in place
<p>The coronavirus (Covid-19) pandemic that has swept the entire world since December 2019 is particularly threatening to the elderly and fragile people cared for in the Group's medico-social and healthcare facilities.</p> <p>It also poses a risk to the care assistants and employees working in the facilities for whom remote working is not an option.</p> <p>It was particularly difficult to tackle the pandemic in the first few weeks as access to screening resources was restricted, there was no proven curative treatment or vaccination, and access to the hospital sector and emergency services varied between regions depending on the guidance issued by local authorities.</p> <p>As from June 2020 and throughout the second wave (which reached Europe in autumn 2020), it proved possible to limit the number of severe cases thanks to strict observance of public health protocols and protective behaviours, authorisation to conduct systematic screening, and then the first vaccination campaigns.</p>	<p>Under its Covid-19 vigilance plan (Vigi-Covid), Korian set out a new European standard in May 2020 for all its facilities in all the countries in which it operates (long-term care nursing homes and specialised clinics) including best practices in terms of hygiene, traceability and preventive measures implemented during the first wave of the pandemic. It also took care to ensure that its network always had a steady supply of protective equipment (masks, protective clothing, etc.) by building up a permanent stock corresponding to two months of utilisation.</p> <p>Bureau Veritas was entrusted on 1st July 2020 with carrying out a hygiene diagnostics campaign covering all the Group's European facilities, the aim being to ensure that these standards were being properly applied and to help staff implement them. By 1st April 2021, 99% of audited facilities were able to show that they had excellent command of the new standard.</p> <p>The Group also introduced a systematic testing policy in accordance with local regulations and, since late December, has been actively vaccinating the people in its care and its employees as and when vaccines have been made available by the public authorities in each of</p>

<p>Variants of the coronavirus (Covid-19) have since appeared, so at the date of publication of this document it is difficult to predict with any certainty how the coronavirus (Covid-19) pandemic is going to evolve.</p>	<p>the countries in which the Group operates. In addition, 81% of our nursing home residents and 53% of our employees had been vaccinated by 1st April 2021, and more than 100,000 screening tests are still being carried out each week throughout the network.</p> <p>At the peak of the 2nd wave, the percentage of residents testing positive for Covid-19 was 4.3%. By 1st April 2021, vaccination campaigns had brought this percentage down to just 0.4%.</p>
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1.2 Treatment and care

Description of the risk	Policies in place
<p>In 2020, Korian provided care for 525,000 residents and patients either in one of its 1,000 facilities or in their homes.</p> <p>Even though the Group gives absolute priority to the quality and safety of the care and treatment it offers, there are inherent risks to providing care for elderly or vulnerable residents and patients given their frailty or age.</p> <p>These risks may be associated with the following events: non-compliance with treatment or poor quality of care provided (medication errors, inadequate supervision resulting in falls or injury); seasonal epidemic outbreaks (influenza, respiratory infections), which may particularly affect elderly people with chronic diseases, etc. This list of events cannot be considered exhaustive.</p> <p>Such events could have an adverse impact on the activity of the facilities concerned and put them at risk of civil or criminal litigation.</p>	<p>The Group is particularly vigilant when managing the risks associated with the care and treatment it provides, and its approach consists in rolling out the following systematic procedures:</p> <ul style="list-style-type: none"> • formalising and circulating the Group’s Medical, Ethics and Quality policies in accordance with ethical and regulatory requirements; • regularly publishing recommended best practices for the directors and staff of the Group’s facilities; • adopting a quality management approach in order to provide care in conditions of optimal quality and safety; • training members of staff in the proper procedures to follow when providing care, with a focus on preventing abuse, through personalised or therapeutic care programmes (Korian Positive Care); • carrying out annual theme-based campaigns across Europe to raise awareness; • performing internal audits (such as 360° quality audits) and external audits and conducting self-assessment programmes annually to ensure that best practices are applied properly, risks are managed, and care and treatment pathways are continually improved with full consideration for individuals and regulations. The results of these audits are presented to the Group’s Quality and Safety Committee as well as the Ethics, Quality and CSR Committee of the Board of Directors; • maintaining a system for reporting serious adverse events which aims to record each incident in each of the Group’s facilities, so as to ensure that appropriate measures are implemented immediately; • implementing a whistleblowing system enabling staff members to report any unethical or irregular practices; • applying crisis management procedures scaled appropriately for each country and for the Group as a whole.

	<p>Furthermore, the Group takes a zero-tolerance approach to instances of abuse by immediately taking action both to protect the vulnerable person and against those who may be responsible for such abuse.</p> <p>More information on the procedures for handling serious adverse events and on Korian's Positive Care approach is provided in sections 2.5.7.2 and 3.2.4 of the 2020 Korian Universal Registraton Document.</p> <p>The Group Medical, Ethics and Service Quality Department is responsible for overseeing these policies and for coordinating these measures. Further information on operational risk management can be found in section 2.5.7 of 2020 Korian Universal Registraton Document.</p>
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1.3 Reputation

Description of the risk	Policies in place
<p>The Korian group's activities involve assisting and caring for elderly and/or frail people either in its nursing homes (called EHPADs in France), its clinics or in the person's own home.</p> <p>Given the sensitive nature of the Group's activities, and even though the Group gives absolute priority to the quality of care and treatment provided to its residents and patients, its facilities may be subject to the risk of publicised complaints from residents, patients and families with respect to the quality of medical supervision, treatment and care provided or the accommodation services offered. In addition, although the civil liability of physicians who work as independent practitioners in the Group's facilities covers any risks specific to the work they perform, any such failing on their part could possibly damage the facility's reputation.</p> <p>Furthermore, given the societal challenges raised by an ageing population and the considerable political and social debate the topic has generated in the countries in which Korian operates, the Group may be exposed to controversies on social networks targeting either the elderly care sector in general or the Group in particular. With social networks becoming increasingly influential, the Group could become the target of harmful media coverage or reports spreading inappropriate and/or incorrect information.</p> <p>In light of the crisis resulting from the coronavirus (Covid-19) pandemic, the medico-social sector's increased exposure implies a higher reputational risk.</p>	<p>The Group pays particular attention to the quality of the services provided in its facilities. This quality is upheld by specific standards and procedures, which are regularly updated as part of the Group's quality assurance process and best practices and are distributed to all its facilities. Regular staff training courses are also held. Moreover, regular checks are carried out both internally and externally (self-assessments, care audits, quality audits, etc.) on the quality of service provided (see section 1.2 above).</p> <p>Should residents, patients or their families submit any observations or complaints, Korian has a proactive and local communication policy to find rapid and satisfactory solutions to any issues with the assistance of support groups in each facility (Social Life Councils (CVS), or equivalents in other countries) as well as a mediation unit.</p> <p>Where necessary, in the event of prejudice to the honour or reputation of the Issuer or its employees, the Group reserves the right to take any appropriate action to protect their image and reputation.</p>

1.4 Recruitment and employee retention

Description of the risk	Policies in place
<p>Some 57,500 men and women work within the Group each day to care for our most frail or elderly citizens, spanning a whole range of professions (care, hospitality-catering, recreational activities, administration).</p> <p>The Group plans to hire an additional 60,000 people over the next five years in preparation for an ageing population, a broader range of chronic diseases and increasing demand for care for frail and dependent elderly people.</p> <p>However, there is currently a shortage of certain qualified profiles required, especially among caregivers, nurses, doctors and rehabilitation specialists, in most of the countries in which the Group operates; this is due to insufficient public training programmes or sometimes to difficulties in attracting people to such challenging professions. This can lead to localised difficulties among certain Group facilities in recruiting staff as well as high staff turnover rates, especially of qualified care staff, which could affect our ability to maintain the quality of service provided within the Group’s facilities. Such situations could also put upward pressure on associated costs.</p> <p>As a result, the Group’s ability to operate properly depends largely on its ability to attract, recruit, retain and train its employees.</p> <p>Moreover, any deterioration in the quality of life and working conditions of employees, or insufficient attention paid to their health and safety, could have an adverse impact on the commitment and loyalty of staff and eventually undermine the quality of service provided in the Group’s facilities (e.g. more absenteeism and occupational accidents). During the current coronavirus (Covid-19) pandemic, the Group’s employees face exposure to the virus.</p> <p>There is also a risk that the quality of labour relations may deteriorate.</p>	<p>As part of its “In Caring Hands” corporate mission (see section 3.1.2 of the 2020 Korian Universal Registraton Document for more information), the Group has adopted a human resources strategy that focuses on three key areas: building a centralised recruitment system, investing in quality of work and quality of management, and setting up training units geared specifically to the Group’s needs. The strategy seeks to position Korian as a benchmark employer in its sector in Europe, and it underpins the other objectives set out in its “In Caring Hands” mission (i.e. operational excellence, in particular to enhance quality of service, innovation and digitalisation) as well as the Group’s ESG commitments. These measures have already enabled Korian to obtain the “Top Employer” label in Germany.</p> <p>The human resources (HR) strategy covers eight concrete commitments which are rolled out in each of the Group’s countries in the shape of specific action plans and projects. These eight commitments also form part of the ISO 9001 quality standard that is gradually being deployed in all of the Group’s facilities and subject to audits by independent bodies.</p> <p>The Group is taking various concrete measures to address the shortage of resources expected in Europe in the future by decreasing its exposure to external recruitment. These measures include:</p> <ul style="list-style-type: none"> • setting up units dedicated to recruitment and to upgrading the tools used by the Group; • reinforcing the employer brand, and simplifying and updating the “candidate pathway”; • renewing Korian’s “social contract” in each country, in accordance with the eight HR commitments set out in its “In Caring Hands” project, and revising the wage contract model in France and Germany, as per France’s “Ségur de la Santé” public health consultation campaign and Germany’s upcoming collective contract to be finalised in the course of 2021; • enhancing health and safety in the workplace by systematically introducing a health and safety policy in each of the Group’s countries to enforce the Group Workplace Health and Safety Charter signed by the Group Management Board in late 2019; • offering certification and promotion pathways (8% of FTE staff at end-2020) thanks to an innovative and proactive apprenticeship policy in Germany and France under which the Group launched its own care apprentice training centre in late 2020 along

	<p>with a chef apprentice training centre in partnership with major contract catering chains;</p> <ul style="list-style-type: none"> enhancing quality of life in the workplace, particularly throughout the coronavirus (Covid-19) pandemic crisis when the emphasis has been on the protection, health and safety of staff members and on providing permanent and frequent psychological support at each stage of the pandemic. <p>The “Kommunity” employee satisfaction survey conducted every two years is a way to verify that the HR policies in place are effective and to assess employee engagement. The Issuer decided in 2020 to conduct a simplified satisfaction survey on an annual basis, called “Kommunity Pulse”; it is to be launched in spring 2021.</p> <p>See section 3.3 for more information on the Group’s human resources policy, Kommunity barometer and workplace health and safety policy.</p>
	<p>Finally, the training provided by the Korian Academy, the Group’s in-house training institute, is key to attracting and retaining talent and also assists staff members with applying best practices. Further information on the Group’s training policy can be found in section 3.3.3.2 of the 2020 Korian Universal Registraton Document.</p> <p>See section 1.1 above for more information on risks relating to the coronavirus (Covid-19) pandemic.</p>

1.5 Information systems, cybersecurity and personal data protection 

Description of the risk	Policies in place
<p>Information systems are essential in handling the day-to-day operations involved in managing the data concerning the Group’s 57,500 members of staff (pay, work schedule, career management), the administrative and medical records of its ~525,000 residents and patients, its financial flows, accounting data, etc.</p> <p>These systems are used in its day-to-day operations, so a major malfunction could temporarily paralyse the business and impact the quality of service provided. Such a malfunction may have internal causes (obsolete systems, infrastructure not maintained, IT projects not properly supervised, malicious acts, etc.) or external causes (viruses, cybercrime, etc.). In addition, the costs of resuming service and lost revenues could impact the Group’s results.</p> <p>In the particular circumstances arising from the coronavirus (Covid-19) pandemic, the Group’s IT security teams have noted an increase in attempted cyberattacks and have thus had to reinforce the</p>	<p>To mitigate the impact of such risks, the Group relies on dedicated expertise within each country’s Information Systems Department to safeguard and, insofar as possible, prevent malfunctions in any of its management systems, thereby ensuring business continuity. The work of these departments is coordinated Group-wide.</p> <p>When it comes to IT security, the action taken by the IT Security Officers of each country is coordinated at Group level, and common guidelines have been established to ensure a minimum level of security in each of the countries in which the Group operates. In light of the current lockdown measures, and with the Group’s administrative staff working remotely, our IT Security Officers have placed cybersecurity under increased surveillance.</p> <p>Since the GDPR was introduced, the Korian group has reinforced its measures to ensure that its activities comply with regulations governing personal data.</p> <p>In particular, each country has its own Data Protection Officer (DPO); they are coordinated Group-wide by a DPO reporting to the Ethics and Compliance</p>

<p>security of our information systems, incurring additional costs.</p> <p>Moreover, Korian’s business requires it to collect and process personal data, some of which are considered sensitive, in particular the health records of its residents and patients. The Group also collects certain personal data that are necessary for its business to function properly (employee data, data required for invoicing, etc.). The Group is subject to the General Data Protection Regulation (“GDPR”) which came into force on 25 May 2018, as well as the different regulations governing the processing of personal data and health data applicable in the different countries in which it operates.</p> <p>The loss, theft or unavailability of personal data could create operational difficulties in providing care to the Group’s residents and patients and lead to a decline in the quality of care provided. In addition, it could expose the Group to legal action by the persons concerned or the relevant authorities, potentially impacting its reputation and possibly its financial position.</p>	<p>Department. A Group-wide personal data standard has also been established, with separate versions in each country depending on their specific needs and languages.</p> <p>Each item of processed data is recorded in a register, and a preliminary risk analysis and impact analysis is carried out in accordance with the recommendations issued by France’s data protection authority (Commission nationale de l’informatique et des libertés – “CNIL”).</p> <p>In addition, preventive measures and training programmes are carried out with members of staff to raise awareness of the risks associated with digital technologies and the regulations governing personal data. Specific audits are also performed regularly to assess the security and compliance of systems in place and to deploy any action plans if necessary. The Group has also taken out insurance against cybersecurity risk, with the policy taking effect on 1st January 2020.</p> <p>Finally, the system for reporting serious adverse events aims to record all incidents relating to information systems, cybersecurity and personal data in each Group facility.</p>
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1.6 People safety

Description of the risk	Policies in place
<p>As public access buildings, the Group’s facilities must safeguard the people they care for and comply with current regulations.</p> <p>Setting pandemic risk aside, the main safety risks that may materialise in the Group’s facilities are those relating to:</p> <ul style="list-style-type: none"> • building safety (including fire safety and health safety); • the food safety of residents and patients (the Group provided care for 525,000 residents and patients in 2020); • Legionella-type bacteria in the facilities’ hot water systems, potentially leading to Legionella-related respiratory illnesses which prove fatal in approximately 11% of cases; • malfunctions in the biomedical systems and equipment used for diagnostic, therapeutic or rehabilitation purposes, which could lead to a mistaken diagnosis or medical incident. <p>The occurrence of incidents resulting from malfunctions in the systems and equipment used by some of the Group’s facilities, or the failure to comply with regulations or with the rules of hygiene in the kitchen or during the distribution of meals, could potentially incur the Group’s civil</p>	<p>The concept of safety for all is among the Group’s top priorities, and each year it invests the necessary amounts in maintaining its installations (2% of consolidated revenue). Compliance of its installations is verified by independent professionals responsible for controlling and monitoring the maintenance and safety of installations (equipment, buildings, medical devices and systems, etc.).</p> <p>In addition, the Group’s internal procedures describe the best practices to follow in terms of fire safety, health safety, food safety, etc., and mandatory training courses are held and followed by its employees. 360° quality audits are coordinated by Korian’s internal teams to ensure compliance with rules and best practices, and they are supplemented by periodic systematic external audits performed by certified organisations.</p> <p>Moreover, a system for reporting serious adverse events is in place and aims to record all major technical malfunctions in each Group facility. Should an exceptional situation arise, the Group is organised in such a way as to manage any critical situation by applying crisis management procedures that are calibrated for each country and at Group level.</p>

<p>and/or criminal liability, result in the suspension of operations, adversely impact its business, financial position and results, and also damage its reputation.</p> <p>See section 1.1 above for more information on risks relating to the coronavirus (Covid-19) pandemic.</p>	
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2 Strategic risks

2.1 Business development and external growth

Description of the risk	Policies in place
<p>The Group has an active development policy aimed at branching out into new services and regions while continuing to shore up its positions in its long-standing business lines. It is expanding through both organic and inorganic growth by acquiring individual facilities, groups of facilities or equity interests, in particular with a view to diversifying its activities.</p> <p>The Group could be affected if potential takeover targets become more scarce and more expensive on account of sector consolidation.</p> <p>The Group might struggle to integrate any newly acquired businesses or it might fail to develop them as planned.</p> <p>Such risks could impact the Group's performance.</p>	<p>The teams dedicated to the Group's development are notably responsible for constantly monitoring market trends, thereby enabling the Group to position itself on the best opportunities. In addition, the Group's strategy of broadening its offering and diversifying into different regions increases its scope for growth opportunities.</p> <p>The Group has significant experience in developing and integrating newly acquired businesses, which has enabled it to develop a systematic approach and set up an integration process that applies from the start of the acquisition phase and is driven by dedicated multidisciplinary teams to roll out the Group's standards and systems. The process is then monitored extremely closely and presented to the Investment Committee of the Board of Directors each quarter.</p>

2.2 Digital and data-driven transformation

Description of the risk	Policies in place
<p>The Group places a great deal of emphasis on its capacity to develop digital solutions that will help it to enhance the client experience, improve ergonomics and quality of care, but also manage the recruitment and career management of its staff members. Digital transformation is necessary as it enables the Group to continue providing quality services, make its facilities more attractive and offer personalised care pathways to all those in its care (whether in its long-term care nursing homes, specialised clinics, assisted living facilities and shared housing or receiving its home care services).</p> <p>These digital solutions imply an overhaul of procedures and professional practices in the Group's facilities, as well as change management and significant investments. Any failure or delay in this transformation could have an adverse impact on the Group's results.</p>	<p>The Group has launched various projects to transform its operations and thus meet the current and future needs of its residents, patients and their families as well as those of its employees and other stakeholders. To achieve this, the Group can rely on the expertise provided by Korian Solutions, an internal digital agency launched in September 2018, and on the targeted acquisitions it is making in this field.</p> <p>Further information on Korian Solutions can be found in section 3.4.3 of 2020 Korian Universal Registraton Document.</p>

They also involve developing specialised expertise in the areas of data analysis and digital technologies.	
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2.3 Property development and construction

Description of the risk	Policies in place
<p>The Group owns a certain number of its facilities, in accordance with its “asset smart” real estate strategy introduced in 2017 to selectively raise its asset ownership rate. It has achieved this either by purchasing the buildings it operates or by building new facilities. The Group is therefore exposed to the technical and financial issues involved in the construction of new builds, such as obtaining building permits, delivering construction projects on schedule, mastering the technical expertise required by such projects and, especially, complying with the latest regulations on building energy performance and environmental footprint, for example.</p> <p>These risks may delay the start of operations or incur additional costs, which could impact the Group’s business and results.</p>	<p>To protect itself against these risks, the Group has set up dedicated internal teams responsible for coordinating architects and project managers, handling procedures for obtaining building permits, and overseeing construction work.</p> <p>The Group has also set up a Technical and Environment Department which liaises with each country’s Real Estate Department to ensure compliance with the various environmental regulations and standards and with its low-carbon roadmap.</p> <p>Further information on the Group’s ESG strategy and low-carbon roadmap can be found in section 3.6.2 of the 2020 Korean Universal Registration Document.</p>

3 Legal, ethical and regulatory risks

3.1 Regulations and rates

Description of the risk	Policies in place
<p>The Group’s medico-social and healthcare activities are subject to strict laws and regulations in each of the countries in which the Group operates. In most of these countries, a licence must be obtained to open a medical-social or health facility; they are generally granted or renewed on the basis of procedures conducted by the supervisory authorities to assess and control the quality of the services provided, in accordance with the laws in force in each country.</p> <p>Meanwhile, rates applied in the Group’s facilities are generally regulated and include a portion paid by the residents or patients themselves, and a portion for treatment and care that is financed directly or indirectly by public payers.</p> <p>Consequently, any regulatory changes could potentially impact the Group’s business model and activity.</p>	<p>The Group conducts a regulatory watch in each of the countries in which it operates in order to protect itself and prepare for any negative repercussions resulting from changes to regulations or pricing rules, and this enables it to anticipate any major changes while ensuring its operations remain in compliance with the law. It is also an active participant in trade union activities.</p> <p>In addition, the fact that the Group operates in several countries and markets and offers a variety of services enables it to limit the risk of regulatory change and thus mitigate the Group-wide impact.</p> <p>Furthermore, its operating licences can only be withdrawn under strictly defined circumstances.</p>

3.2 Global warming and environmental damage

Description of the risk	Policies in place
<p>The Group has 1,000 facilities across Europe, so it is essential to manage and control the energy and water they consume as well as the waste they generate.</p> <p>Non-compliance with applicable environmental regulations could result in substantial financial and administrative sanctions and be detrimental to the Issuer’s reputation.</p> <p>In addition, certain major climate events may occasionally disrupt the operations of facilities and impact the quality of care provided to residents and/or patients.</p> <p>Such events could incur the Group’s liability, affect its reputation and adversely impact its business and results.</p>	<p>Based on the Group’s carbon footprint completed at the end of 2019, Korian established a low-carbon roadmap in 2020 aimed at reducing its greenhouse gas emissions by 40% by 2030. There are five parts to this roadmap, each corresponding to one of the Group’s biggest sources of carbon emissions: building energy consumption, purchases of goods and services, food purchases, transportation of employees, and waste management.</p> <p>A Group Technical and Environment Department was set up in early 2020 to coordinate the roadmap, and a Group Environment Committee consisting of environmental experts was also set up to oversee action plans and share best practices in terms of improving carbon impact. The low-carbon targets were first factored into top management’s objectives in 2020 and will be incorporated more widely in 2021. Furthermore, campaigns aimed at raising awareness of energy and waste reduction are being carried out in each of the Group’s countries.</p> <p>Further information on Korian’s environmental policy can be found in section 3.6 of the 2020 Korian Universal Registraton Document.</p> <p>The facilities comply with their applicable legal and regulatory obligations and have adopted a series of measures aimed at protecting themselves against such events and taking action if they do occur. The crisis management system and business continuity plans include solutions such as installing generators in the event of a power outage as well as measures to safeguard people, including transferring them to other facilities if necessary.</p> <p>To deal with heat waves, for example, Korian’s facilities have installed thermal insulation solutions (air-conditioned rooms and/or portable air conditioners, blackout blinds, etc.), and the managers overseeing caregivers have also set up protocols and training courses on issues such as hydration and the prevention and treatment of dehydration which focus on identifying and paying special attention to individuals at risk during such events. In 2020, the Group stepped up its “air-conditioning” programme and extended it as part of its “Boost” room renovation plan in France.</p>

3.3 Business ethics

Description of the risk	Policies in place
<p>The Group employs 57,500 people spread over more than 1,000 facilities in 7 different countries, and it works with over 35,000 suppliers and partners. Moreover, some of the Group's employees interact with policymakers or public bodies. Despite the Group being vigilant, practices that are not consistent with its charters and policies (especially its Ethics Charter, gifts and hospitality policy and responsible procurement policy) could damage the Group's reputation or even incur its liability if anti-corruption legislation is breached.</p> <p>The Group is subject to Act N° 2016-1691 of 9 December 2016 on transparency, the prevention of corruption and the modernisation of the economy (the "Sapin 2 Act"), article 17 of which requires setting up a system to prevent and detect acts of bribery and influence peddling that may be committed within the Group. If the Group were to fail to comply with this law, or if an act of corruption were to occur within the Group, legal proceedings could be brought against the Group's companies and they could receive financial sanctions.</p>	<p>The Korian group condemns all forms of corruption and influence peddling, be they active or passive, private or public.</p> <p>The Group's commitment to tackling all forms of corruption risk and promoting an ethical and responsible business environment has prompted it to draft the following documents and set up the following procedures:</p> <ul style="list-style-type: none"> • a corruption risk map in order to identify risk scenarios and introduce control mechanisms accordingly; • a Group Ethics Charter laying the foundations for the values and conduct expected of the Group's employees and stakeholders; • a Group gifts and hospitality policy; • a responsible procurement policy signed by the Group's suppliers; • procedures to assess third parties; • e-learning modules to raise employee awareness of the Group's ethical commitments, particularly in the areas of corruption and influence peddling; • specific accounting procedures incorporated into the Group's internal control standards; • a whistleblowing system via a secure external platform accessible by all staff members; • particularly close attention paid to corruption risks in internal audits. <p>A Group Ethics and Compliance Department was set up in November 2020. This department is responsible for rolling out the programme and oversees any internal investigations conducted following alerts received through the whistleblowing system.</p>

4 Economic and financial risks

Given the nature of its business (which operates largely with a fixed cost base) and its expansion drive (which requires sizeable investments), the Group may be exposed to risks relating to inflation, liquidity and volatility in financing conditions.

The Group has set up various sources of funding that are described in note 8 to the financial statements.

The Group's total net indebtedness amounted to €2,839.8 million at 31 December 2020 (excluding lease liabilities) and its average debt maturity is four years.

4.1 Changing market conditions following the coronavirus (Covid-19) pandemic

Description of the risk	Policies in place
<p>Setting aside its public health repercussions, the coronavirus (Covid-19) pandemic is also having a major impact on many of the world's economies and on the ability of many companies to conduct their business, largely because of the series of restrictions imposed by public authorities to contain the spread of the virus, the successive waves of the pandemic, and the variants of the virus that have emerged. However, with vaccination campaigns being gradually rolled out and protective measures being applied, there is a possibility that macroeconomic conditions will improve over the course of 2021.</p> <p>In Korian's case, the Group's business depends on regulations governing the healthcare and medico-social sector and on associated third-party funding; so given the current coronavirus (Covid-19) crisis, and assuming it triggers a lasting recession, the Group's business climate could be impacted, although it is difficult at the date of publication of this document to measure the full consequences.</p>	<p>As described in section 1.1. above, the Group is monitoring developments in the coronavirus (Covid-19) crisis very closely and has introduced a significant number of additional procedures to protect its residents, patients and staff.</p> <p>As regards a potential reduction in government funding in the medium term, the Group believes its activities are essential in ensuring continuity of care for the population and complementary to the care provided by public facilities; they will therefore remain priorities in the years to come in each of the countries in which the Group operates.</p> <p>In the short term, the Group (like all other companies in the sector) has received financial compensation to offset the loss of activity experienced during the various waves of the epidemic and has thus been able to maintain its care capacity.</p>
<p>In addition, business activity in the Group's facilities has diminished because some of them have partly closed (especially day care centres in medico-social facilities and out-patient services in healthcare facilities) and it is difficult to take on new residents during the current health crisis. While not at all comparable to the current pandemic, previous epidemic outbreaks and heatwaves have shown that business activity in facilities may decrease for periods of about 18 to 24 months.</p> <p>In the medium and long term, this coronavirus (Covid-19) pandemic could result in changes to healthcare standards and procedures aimed at preventing similar epidemic or pandemic outbreaks. The pandemic may also affect expectations among the public and potential residents of elderly care facilities, which could change the way in which the dependency care sector is structured.</p> <p>More information is available in section 5.8 of the 2020 Korian Universal Registraton Document.</p>	

4.2 Liquidity risk

Description of the risk	Policies in place
<p>The Group has the backing of its various banking partners and has diversified its sources of funding, but it remains exposed to market conditions and to the market's assessment of its credit quality whenever it needs to raise funds.</p> <p>The situation on the financial markets today shows that a company's access to liquidity can be affected by factors that have nothing to do with the financial strength of the company itself.</p>	<p>Korian has set up a centralised cash management system for the Group via a cash pooling arrangement that allows for optimal use of its resources. Fund raising with banks or on the financial markets is also centralised, the aim being to plan for future funding requirements and to diversify the sources and costs of funding. Korian may, nevertheless, occasionally authorise its subsidiaries to obtain financing from outside the Group, in particular for real estate projects.</p> <p>The Group carefully manages any fluctuations in its cash requirements, whether for its operations or for its growth, on the basis of its available cash capacity as well as its access to the short-term (€300 million Neu CP programme) and long-term credit markets. The Group also benefits from a revolving credit facility as part of its syndicated loan agreement, which remains undrawn at the date of this report.</p> <p>The Group's indebtedness at 31 December 2020 is described in note 8.2 to the financial statements.</p>

4.3 Rate risk

Description of the risk	Policies in place
<p>Interest rate risk:</p> <p>The Group partly funds its growth and investments, including its real estate projects, by issuing bonds and is thus exposed to the risk of an increase in interest rates.</p> <p>In general, real estate debt is taken on at fixed rates for leases or mortgages. For other debt, the choice between a fixed rate or variable rate depends on the type of debt instruments concerned as well as market conventions, or may be chosen deliberately by the Group in relation to its policy for managing interest rate risk.</p> <p>The Group is therefore exposed to eurozone interest rate risk, impacting on the variable portion of its current debt and on its future refinancing and fund-raising arrangements.</p> <p>Inflation rate risk:</p> <p>The risk of higher inflation is closely linked to interest rate movements. It is not a material risk for the Group because, although it is exposed to higher wages and costs, its revenue should also rise in line with inflation. The effects of rent inflation and indexation on the Group's expenses is addressed in section 4.4 below.</p>	<p>Korian has a policy of actively monitoring and managing the risk of interest rate fluctuations based on its projected net debt position after factoring in the execution of its business plan.</p> <p>The Group has financial instruments to hedge against this risk and uses standard derivative instruments (interest rate swaps, swaptions, caps and floors). The average maturity of its derivative hedges is more than four years.</p> <p>Furthermore, the Group has significantly increased the share of fixed-rate debt in its debt structure in 2020, mostly by issuing long-term debt to provide a natural hedging effect. Its average debt maturity now stands at 5.7 years, not counting its short-term debt which was offset by its available liquidity at year-end. Factoring in the interest rate hedges already in place, approximately 80% of the Group's gross borrowings are at fixed rates and its net borrowings are 100% hedged.</p> <p>Its interest rate risk hedging structure, which includes hedging instruments and fixed-rate debt, decreases gradually over time.</p> <p>When hedging instruments are taken into account, financial expenses at the balance sheet date would</p>

	<p>vary by the following amounts in response to a change in market interest rates over one year:</p> <ul style="list-style-type: none"> • a 0.5% increase (50 basis points) in the yield curve would increase the Group's financial expense by €1.7 million; • a 0.5% decrease (50 basis points) would increase the Group's financial expense by €3.4 million. <p>These details also appear in note 8.1 to the financial statements.</p> <p>As its bank and bond financing arrangements evolve, the Group adapts its hedging structure to keep it aligned with its debt profile, in accordance with the Group's prudent financial management policy.</p>
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4.4 Rental expenses

Description of the risk	Policies in place
<p>The Group operates 1,000 facilities across several European countries, three-quarters of which are leased. Its cumulative lease liabilities recognised in the balance sheet at 31 December 2020 totalled €3.7 billion. The Group is therefore exposed to the risk of an increase in its rental expenses, which would be detrimental to its profitability. The Group's rental expenses might rise if a lease has to be renewed or because of rent indexation clauses in its lease contracts.</p> <p>In each of the countries in which the Group operates, rents are indexed to indices specific to the country and linked either to the rate of inflation, consumer prices or a specific business sector (e.g. the rent increase benchmark rate for long-term care nursing homes). A sharp rise in these indices could affect the Group's profitability if they become decorrelated with the Group's ability to pass this increase on to its prices.</p>	<p>Risks relating to building leases are managed by the Group Real Estate Department, which is responsible for all asset management aspects relating to the building portfolio.</p> <p>Rental expenses increase only moderately as indices rise on account of the underlyings of these indices; this was particularly true in 2020 as a result of the crisis created by the coronavirus (Covid-19) pandemic. In addition, these increases sometimes apply only above a certain threshold (e.g. in Germany) or only to a portion of the rise in the index. The active real estate management policy has enabled the Group to minimise the number of leases indexed to the more volatile indices, such as the construction cost index (ICC) which corresponded to only about 12.5% of the Group's French facilities by the end of 2020. The Group's rental expenses increased by 2% as a whole in 2019 and by 1.2% in 2020.</p> <p>In order to manage the risk of rents increasing during lease renewals, the Group has introduced active lease management procedures in each country based on a precise analysis of each lease and notably the occupancy cost ratio (rents / EBITDAR), the expiry date and any renewal clauses, the aim being to arbitrate between different sources of funding upstream of the process.</p> <p>Over 80% of leases in Germany and Belgium are due to expire in more than five years' time and most have renewal clauses based on the last indexed rent. Leases run for an average of 19 years in Germany and 22 years in Belgium.</p> <p>In France, legal rent control mechanisms apply to over half of the Group's leases; the Real Estate Department has also developed a systematic lease renegotiation policy, bearing in mind that many of its</p>

	<p>leases are contracted with institutional landlords with whom the Group has long-standing business relations.</p> <p>In Italy, most of the Group's leases offer the possibility of renewal on the same terms as the previous lease. The Group also takes an active and forward-looking approach to managing its leases.</p> <p>Last of all, the Group raised its full ownership rate of its facilities further from 22% in 2019 to 24% at the end of 2020.</p>
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B. Risk Factors relating to the Notes

The following paragraphs describe the main risk factors that are considered material for prospective investors in order to assess the market risk associated with the 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 the Notes and the suitability of investing in the Notes in light of their particular circumstances.

Defined terms used but not otherwise defined herein shall have the same meaning as in the Terms and Conditions of the Notes.

1 Risks relating to the trading market of 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 and a number of additional factors. If the creditworthiness of the Issuer deteriorates, (i) the Issuer may not be able to fulfil all or part of its payment obligations under the Notes and (ii) the value of the Notes may decrease, and Noteholders may lose all or part of their investment.

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 stock exchanges on which the Notes are traded. The price at which a Noteholder will be able to sell the Notes prior to redemption by the Issuer may be at a discount, which could be substantial, from the issue price or the purchase price paid by such purchaser.

Liquidity Risks/Trading Market for the Notes

The Notes may not have an established trading market when issued, listed and admitted to trading and may never develop or continue or, if one does develop, be maintained. Therefore, the market for the Notes may not be liquid and the holders may not be able to sell their Notes when desired, or at all, or at prices they find acceptable. The liquidity of, and trading market for, the Notes may also be adversely affected by general declines in the market for similar securities. If an active trading market for the Notes does not develop or is not maintained, the market or trading price and liquidity of the Notes may be adversely affected.

The development or continued liquidity of any secondary market for the Notes will be affected by a number of factors such as general economic conditions, the financial condition, the creditworthiness of the Issuer and/or the Group, as well as other factors such as the method of calculating the return to be paid in respect of such Notes, the outstanding amount of the Notes, any redemption features of the Notes as specified in Condition 6 (*Redemption and Purchase*) of the Terms and Conditions of the Notes and the level, direction and volatility of interest rates generally. Such factors also will affect the market value of the Notes. In addition, certain Notes may be designed for specific investment objectives or

strategies and therefore may have a more limited secondary market and experience more price volatility than conventional debt securities.

Noteholders may not be able to sell Notes readily or at prices that will enable Noteholders to realise their anticipated yield. This could have a material adverse impact on the Noteholders and, as a result, Noteholders could lose all or part of their investment in the Notes.

2 Risks relating to the structure of the Notes

Early Redemption Risk

The Issuer reserves the right to purchase the Notes in the open market or otherwise at any price in accordance with applicable laws and regulations. Such transactions shall have no impact on the normal repayment schedule of outstanding Notes, but they decrease the respective yield of such Notes so purchased and then redeemed by the Issuer prior to their stated maturity and potentially reduce the liquidity of the Notes.

An early redemption feature of Notes is likely to negatively affect their market value. During any period when the Issuer may elect or be obliged to redeem the Notes in accordance with Condition 6.2 (*Pre-Maturity Call Option*), Condition 6.3 (*Make-whole Redemption by the Issuer*), Condition 6.4 (*Redemption for Taxation Reasons*) or Condition 6.5 (*Clean-Up Call Option*) of the Terms and Conditions of the Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. As a consequence, the yields received upon redemption may be lower than expected.

In respect of Condition 6.2 (*Pre-Maturity Call Option*) of the Terms and Conditions of the Notes, the Issuer has the option to redeem the outstanding Notes, in whole (but not in part), at their outstanding principal amount plus accrued interest up to (but excluding) the date fixed for redemption. In respect of Condition 6.3 (*Make-whole Redemption by the Issuer*) of the Terms and Conditions of the Notes, the Issuer has the option to redeem the outstanding Notes, in whole (but not in part), at their relevant Make-whole Redemption Amount together with accrued interest.

During a period when the Issuer may elect to redeem Notes, the Notes may feature a market value not above the price at which they can be redeemed. If the market interest rates decrease, the risk to Noteholders that the Issuer will exercise its right of early redemption increases. As a consequence, the yields received upon such early redemption may be lower than expected, and the redeemed face amount of the Notes may be lower than the purchase price paid for such Notes by the Noteholder where the purchase price was above par. As a consequence, part of the capital invested by the Noteholder may be lost, so that the Noteholder in such case would not receive the total amount of the capital invested. However, the redeemed face amount of the Notes may not be below par. 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 such redeemed Notes.

In respect of Condition 6.5 (*Clean-Up Call Option*) of the Terms and Conditions of the Notes, if eighty (80) per cent. or more in initial aggregate nominal amount of the Notes have been redeemed or purchased and cancelled, the Issuer will have the option to redeem all but not some only of the outstanding Notes at their principal amount plus accrued interest. In particular, there is no obligation for the Issuer to inform investors if and when this percentage 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 this option, the Notes may have been trading significantly above par, thus potentially resulting in a loss of capital invested.

All of the above may cause the investment in the Notes to be less profitable than expected for Noteholders. In such case, Noteholders carry no risk of capital loss, but a decrease in the gain that the Notes could have brought them.

The exercise of the Put Option or a request for redemption following the occurrence of an Event of Default in respect of a significant number of Notes may affect the liquidity of the Notes in respect

of which such Put Option is not exercised or request for redemption following an Event of Default is not made

Following the occurrence of a Change of Control or an Event of Default and depending on the number of Notes in respect of which the Put Option pursuant to Condition 6.6 (*Redemption or Purchase following a Change of Control*) of the Terms and Conditions of the Notes is exercised or in respect of which a redemption request is made following the occurrence of an Event of Default pursuant to Condition 8 (*Events of Default*) of the Terms and Conditions of the Notes in conjunction, if applicable, with any Notes purchased by the Issuer and cancelled, any trading market of the Notes in respect of which such Put Option is not exercised or for which no request of redemption following an Event of Default is made may become less liquid or illiquid. Therefore, Noteholders not having exercised their put options or not having required redemption following the occurrence of an Event of Default may not be able to sell their Notes on the market and may have to wait until the Maturity Date to obtain redemption of their investments in the Notes, which may have an adverse impact on the Noteholders and reduce the profits anticipated by the Noteholders at the time of the issue. In addition, investors may not be able to reinvest the moneys they receive upon such early redemption in securities with the same yield as the redeemed Notes.

No limitation on issuing debt and limited restrictive covenants

There is no restriction in the Notes on the amount of debt which the Issuer or its Subsidiaries may incur. Any such further debt may reduce the amount recoverable by the Noteholders upon liquidation or insolvency of the Issuer. As contemplated in Condition 3 (*Negative Pledge*), the Terms and Conditions of the Notes contain a negative pledge that prohibits the Issuer and its Material Subsidiaries in certain circumstances from creating Security Interest upon any of their respective assets, rights or revenues, present or future, but only to the extent that such is used to secure Relevant Debt as defined in Condition 3 incurred or guaranteed by the Issuer or any of its Material Subsidiaries and there are certain exceptions to the negative pledge. The Terms and Conditions of the Notes do not contain any other covenants restricting the operations of the Issuer, or its ability to distribute dividends or buy back shares. The Issuer's Subsidiaries are not bound by obligations of the Issuer under the Notes and are not guarantors of the Notes. These limited restricted covenants and the absence of limitation of issuing further debt may not provide sufficient protection for Noteholders which could materially and negatively impact the Noteholders and increase the risk of losing all or part of their investment in the Notes.

The Notes may not become, or remain, listed on Euronext Dublin

Although the Issuer will agree to use its best efforts to have the Notes listed on the Official List of Euronext Dublin and admitted to trading on its Global Exchange Market within a reasonable period after the Issue Date and to maintain such listing as long as the Notes are outstanding, the Issuer cannot assure that the Notes will become, or remain listed. If the Issuer cannot maintain the listing on the Official List of Euronext Dublin and the admission to trading on the Global Exchange Market or it becomes unduly burdensome to make or maintain such listing, the Issuer may cease to make or maintain such listing on the Official List of Euronext Dublin, provided that it will use commercially reasonable efforts to obtain and maintain the listing of the Notes on another stock exchange, although the Issuer may not be able to do so. Although no assurance is made as to the liquidity of the Notes as a result of listing on the Official List of Euronext Dublin or another recognized listing exchange for comparable issuers, failure to be approved for listing the Notes on the Official List of Euronext Dublin or another listing exchange may have a material adverse effect on a holder's ability to resell its Notes on the secondary market.

Modification and waiver

Condition 9 of the Terms and Conditions of the Notes contains provisions for Noteholders to consider matters affecting their interests generally to be adopted either through Collective Decisions (as defined below). These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant general meeting, or did not consent to the written consultation

or Noteholders who voted in a manner contrary to the majority. General meetings or written consultations may deliberate on any proposal relating to the modification of the conditions of the Notes subject to the limitations provided by French law. If a decision is adopted by a majority of Noteholders and such modifications were to impair or limit the rights of the Noteholders, this may have a negative impact on the market value of the Notes. However, the probability that the majority of Noteholders adopt a decision which could have a negative impact on the Noteholders is low.

By exception to the above provisions, Condition 9 provides that (i) the provisions of Article L.228-65 I. 1° of the French *Code de commerce* (providing for a prior approval of the General Meeting of the Noteholders of any change in corporate purpose or form of the Issuer) and the related provisions of the French *Code de commerce* shall not apply to the Notes provided that any change of the object of the Issuer shall not have a material effect on the nature of the Issuer's business or activities, (ii) the provisions of Article L.228-65 I. 3° of the French *Code de commerce* (providing for a prior approval of the Noteholders in relation to any proposal to merge or demerge the Issuer in the cases referred to in Articles L. 236-13 and L. 236-18 of the French *Code de commerce*) shall not apply to the Notes provided that any merger or demerger shall be part of an intra-group reorganisation where the merger is with an existing subsidiary of the Issuer or the demerged entity is or becomes a subsidiary of the Issuer, and (iii) the provisions of Article L.228-65 I. 4° of the French *Code de commerce* (providing for a prior approval of the General Meeting of the Noteholders of an issue of bonds benefiting from a security (*sûreté réelle*)) and the related provisions of the French *Code de commerce* shall not apply to the Notes. As a result of these exclusions, the prior approval of the Noteholders will not have to be obtained on any such matters which may affect their interests generally.

3 Risks relating to the legal form of the Notes and other legal issues

Specific French insolvency law provision regarding the rights of holders of debt securities

As a *société anonyme* incorporated in France and having its interests in France, French insolvency laws could apply to the Issuer. Under French insolvency laws, in the case of the opening in France of an accelerated preservation procedure (*procédure de sauvegarde accélérée*) or a preservation procedure (*procédure de sauvegarde*) or a judicial reorganisation procedure (*procédure de redressement judiciaire*) or a judicial liquidation procedure (*procédure de liquidation judiciaire*) in respect of the Issuer, creditors of the Issuer (including Noteholders) must file their proof of claims with the creditors' representative or liquidator, as the case may be, within two months (or within four months in the case of creditors domiciled outside metropolitan France) of the publication of the opening judgment of the procedure in the BODACC (*Bulletin officiel des annonces civiles et commerciales*).

As part of a preservation procedure or a judicial reorganisation procedure, the affected parties (i.e., creditors and equity holders whose rights are affected by the proposed restructuring plan) may be grouped into classes of affected parties reflecting sufficient commonality of economic interest based on objective verifiable criteria (the establishment of creditors classes is not mandatory under certain thresholds (see below) applicable to the debtor company and its subsidiaries). As part of an accelerated preservation procedure, the establishment of affected parties' classes would however be mandatory.

Such class of affected parties shall be set up when the debtor company reaches, at the date of the application for the opening of proceedings, one of the following thresholds: (i) 250 employees and a net turnover of 20 million euros or (ii) a net turnover of 40 million euros.

The allocation of affected parties among classes is carried out by the court-appointed judicial administrator. In this context and should they be directly affected by the proposed restructuring plan, the Holders of the Notes would therefore be members of class of affected parties (the “**Relevant Class of Affected Parties**”) divided into one or more Relevant Class of Affected Parties depending on the Notes, potentially along with other affected parties.

In addition, Noteholders should be aware that the receiver (*administrateur judiciaire*) is required to comply with subordination agreements entered into by a Holder of Notes when allocating affected parties into classes. The receiver must disclose the method of allocation of affected parties into classes

and the computation of voting rights thereof and the interested Holder may dispute the same before the relevant procedure's supervisory judge (*juge commissaire*).

The Relevant Class of Affected Parties will deliberate on the draft safeguard plan (*projet de plan de sauvegarde*), the draft accelerated safeguard plan (*projet de plan de sauvegarde accélérée*) or the draft judicial reorganisation plan (*projet de plan de redressement*), as applicable, and may further agree to:

- increase the liabilities (*charges*) of the relevant affected parties (including the Noteholders) by rescheduling due payments and/or partially or totally writing off claims;
- a differentiated treatment between affected parties as appropriate under the circumstances; and/or
- convert debt claims (including the Notes) into shares or securities that give or may give right to share capital.

The Noteholders will have a period of at least 15 days to vote between (i) the date of sending the convening letters or the insertion in a support authorised to receive legal notices and (ii) the date of the vote.

Each Noteholder has the right, during the 10 days preceding the vote, to examine the plan themselves or through a proxy.

The Relevant Class of Affected Parties would vote on the proposed plan at a two-third majority (calculated as a proportion of the relevant claims or rights held by affected parties of the Relevant Class of Affected Parties expressing a vote).

However, a restructuring plan may be also adopted despite the negative vote of the Relevant Class of Affected Parties on the proposed plan through the court-imposed cross-class cram-down mechanism.

In order for the court to impose a cross-class cram-down, various conditions must be met, including the following conditions:

- (i) the debtor has consented to the cross-class cram-down if the plan has been submitted as part of an accelerated preservation procedure or a preservation procedure. As part of a reorganisation procedure any affected party is entitled to request the application of the cross-class cram-down mechanism;
- (ii) the plan has been approved by a majority of classes (provided that at least one of those classes is a class of secured creditors or a class ranking senior to the class of ordinary unsecured creditors) or, failing that, by at least one class (other than a class of equity holders or any other class which is “out of the money”);
- (iii) the “best interests of creditors” test is complied with (according to which any affected party which has voted against the plan should not be in a less favourable situation than it would have been in the event of a judicial liquidation, a disposal plan or a better alternative solution);
- (iv) the “absolute priority rule” is complied with (according to which the claims of a dissenting class must be fully discharged (by identical or equivalent means) when a junior class is entitled to a payment or retain an interest under the plan). The court may, however, waive this rule under certain conditions;
- (v) affected parties benefit from an equal treatment and are treated in proportion to their claim or right;
- (vi) no class of affected parties is entitled under the plan to receive or retain more than the full amount of their claims or interest; and

- (vii) provided that new financings are necessary to the restructuring plan, these would not entail excessive harm to the interests of the affected parties.

In a judicial reorganization procedure, in the absence of the adoption of a plan through the classes' mechanism, creditors would be consulted individually on a plan proposal. As part of this individual consultation, the court has the possibility to impose a debt term out on dissenting creditors (including a Holder of Notes), which may up to 10 years.

For the avoidance of doubt, the Representation of the Noteholders provisions set out in Condition 9 (*Representation of the Noteholders*) of the Terms and Conditions of the Notes in this Offering Memorandum will not be applicable to the extent they are not in compliance with compulsory insolvency law provisions that apply in these circumstances. The procedures, as described above or as these may be amended, could have an adverse impact on Holders of the Notes seeking repayment in the event that the Issuer or its subsidiaries were to be subject to French insolvency procedures.

The preventive and insolvency procedures in France are regulated by the provisions of the French *Code de commerce* as amended by ordinance n°2021-1193 dated 15 September 2021 and its implementation decree n°2021-1218 dated 23 September 2021, which is notably transposing directive (EU) 2019/1023 dated 20 June 2019 and is entering into force on 1st October 2021. These provisions would govern the common rights, interests and representation of the Noteholders in this context. As a result, Noteholders should be aware that they would generally have limited ability to influence the outcome of an accelerated preservation (*procédure de sauvegarde accélérée*), a preservation (*procédure de sauvegarde*) or a judicial reorganisation procedure (*procédure de redressement judiciaire*) of the Issuer in France.

The commencement of preventive or insolvency procedures against the Issuer may have a material adverse effect on the market value of Notes issued by the Issuer. Any decisions taken by the Relevant Class of Affected Parties or a class of creditor, as the case may be, could substantially impact the Noteholders and even cause them to lose all or part of their investment, should they not be able to recover amounts due to them from the Issuer.

The use of proceeds of the Notes may not be suitable for the investment criteria of a Noteholder

The Issuer intend to use the net proceeds of the Notes to finance and/or re-finance, in whole or in part, new or existing projects, which may take the form of social investments, assets, capital expenditures or operational expenditures as defined by the Eligible Social Categories, as described in the "Use of Proceeds" section of this Offering Memorandum and further described in the Issuer's social financing framework (as amended and supplemented from time to time) (the "**Social Financing Framework**") available on the Issuer's website (<https://www.korian.com/en/sustainable-finance>).

While it is the intention of the Issuer to apply the proceeds of the Notes in, or substantially in, the manner described in "Use of Proceeds", the Eligible Social Projects may not be capable of being implemented in or substantially in such manner and/or in accordance with any timing schedule and accordingly such proceeds may not be totally or partially disbursed for the Eligible Social Projects. The Eligible Social Projects may also not be completed within any specified period or at all or with the results or outcome (whether or not related to the environment) as originally expected or anticipated by the Issuer. Any such event or failure by the Issuer will not constitute an Event of Default under the Notes, create an obligation for the Issuer to redeem the Notes, give a right to the Noteholders to request the early redemption or the acceleration of the Notes and/or give a claim to the Noteholders against the Issuer.

The second party opinion provided by S&P Global Ratings (the "**Second Party Opinion**") is only current as at the date it is released and may be updated, suspended or withdrawn by S&P Global Ratings at any time. The Second Party Opinion provided in connection with the issue of the Notes to

fulfil any social and/or other criteria may not be suitable or reliable for any purpose whatsoever. Currently the providers of evaluations are not subject to any specific regulatory regime or other oversight.

Any such event or failure to apply the proceeds from the Notes to the Eligible Social Projects and/or withdrawal of the Second Party Opinion or any such other opinion or certification or any opinion or certification attesting that the Issuer is not complying with any matters for which such opinion or certification is opining or certifying on, may have a material adverse effect on the value and marketability of the Notes and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose and consequently, Noteholders could be adversely affected.

DOCUMENTS INCORPORATED BY REFERENCE

This Offering Memorandum should be read and construed in conjunction with the documents referred to in (1) to (3) below which shall be incorporated by reference in, and form part of, this Offering Memorandum:

- (1) the 2020 universal registration document in English language which is the translation of the French language *Document d'enregistrement universel 2020* of Korian which was filed under no. D. 21-331 with the French *Autorité des marchés financiers* on 20 April 2021. Such document is referred to in the Offering Memorandum as the “**2020 Korian Universal Registration Document**”;

https://www.korian.com/sites/default/files/documents/Korian_URD_2020_EN_WEBSITE_0.pdf

- (2) the 2019 universal registration document in English language which is the translation of the French language *Document d'enregistrement universel 2019* of Korian which was filed under no. D. 20-452 with the French *Autorité des marchés financiers* on 7 May 2020. Such document is referred to in the Offering Memorandum as the “**2019 Korian Universal Registration Document**”; and

https://www.korian.com/sites/default/files/documents/Korian_URD%20VA_2019_Site%20Web.pdf

- (3) the 2021 half-year financial report in English language which is the translation of the French language *Rapport financier semestriel 2021* of Korian. Such document is referred to in the Offering Memorandum as the “**2021 Half-Year Financial Report**”.

<https://www.korian.com/sites/default/files/documents/RFS-%2030%20juin%202021%20vENG.pdf>

save that any statement contained in a document which is incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Offering Memorandum to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Offering Memorandum.

TERMS AND CONDITIONS OF THE NOTES

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

The issue of the €300,000,000 2.250 per cent. Notes due 15 October 2028 (the “**Notes**”) of Korian (the “**Issuer**”) has been authorised by a resolution of the Board of Directors (*Conseil d’administration*) of the Issuer held on 29 July 2021 and a decision of the Chief Executive Officer (*Directrice générale*) of the Issuer dated 11 October 2021. The Issuer will enter into a fiscal agency agreement (the “**Agency Agreement**”) on or prior to 13 October 2021 with CACEIS Corporate Trust as fiscal agent, principal paying agent, paying agent and put agent. The fiscal agent, the principal paying agent, the paying agent and the put agent for the time being are respectively referred to in these Conditions as the “**Fiscal Agent**”, the “**Principal Paying Agent**”, the “**Paying Agent**” (which expression shall include the Principal Paying Agent) and the “**Put Agent**”, each of which expression shall include the successors from time to time of the relevant persons, in such capacities, under the Agency Agreement, and are collectively referred to as the “**Agents**”. The Issuer will also enter into a make-whole calculation agency agreement (the “**Make-whole Calculation Agency Agreement**”) on or prior to 13 October 2021 with DIIS Group as make-whole calculation agent. The make-whole calculation agent for the time being is referred to in these Conditions as the “**Make-whole Calculation Agent**”, which expression shall include any successor acting from time to time in such capacity under the Make-whole Calculation Agency Agreement. Copies of the Agency Agreement and the Make-whole Calculation Agency Agreement are available for inspection at the specified offices of the Paying Agent and the Make-whole Calculation Agent respectively. References to “**Conditions**” are, unless the context otherwise requires, to the numbered paragraphs below.

1 Form, Denomination and Title

The Notes are issued on 15 October 2021 (the “**Issue Date**”) in dematerialised bearer form (*au porteur*) in the denomination of €100,000 each. Title to the Notes will be evidenced in accordance with Articles L.211-3 *et seq.* and R.211-1 *et seq.* of the French *Code monétaire et financier* by book-entries (*inscription en compte*). No physical document of title (including *certificats représentatifs* pursuant to Article R.211-7 of the French *Code monétaire et financier*) will be issued in respect of the Notes.

The Notes will, upon issue, be inscribed in the books of Euroclear France (“**Euroclear France**”), which shall credit the accounts of the Account Holders. For the purpose of these Conditions, “**Account Holders**” shall mean any intermediary institution entitled to hold, directly or indirectly, accounts on behalf of its customers with Euroclear France, and includes Euroclear Bank SA/NV (“**Euroclear**”) and the depositary bank for Clearstream Banking S.A. (“**Clearstream**”).

Title to the Notes shall be evidenced by entries in the books of Account Holders and will pass upon, and transfer of the Notes may only be effected through, registration of the transfer in such books.

2 Status of the Notes

The Notes and the interest thereon, constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer, and rank, and will at all times rank, *pari passu* without any preference amongst themselves and (subject to exceptions imposed by French law) equally and rateably with all other present or future unsecured and unsubordinated obligations of the Issuer.

3 Negative Pledge

So long as any of the Notes remains outstanding (as defined below), the Issuer undertakes that it will not, and will ensure that none of its Material Subsidiaries (as defined below) will, grant or permit to subsist any Security Interest (as defined below) upon any of their respective assets, rights or revenues, present or future, to secure any Relevant Debt (as defined below) incurred or guaranteed by the Issuer or any of its Material Subsidiaries (whether before or after the issuance of the Notes) unless, at the same time or prior thereto, the Issuer’s

obligations under the Notes (x) are equally and rateably secured therewith or (y) are given the benefit of such Security Interest as shall be approved by the *Masse* of the Noteholders.

For the purposes of these Conditions:

“**Material Subsidiary**” means any Subsidiary of the Issuer whose turnover (*chiffre d’affaires*) and operating result (*résultat d’exploitation*) exceeds five per cent. (5%) of the consolidated turnover and operating result of the Issuer.

“**outstanding**” means in relation to the Notes, all the Notes issued other than (i) those which have been redeemed on their due date or otherwise in accordance with the Conditions, (ii) those in respect of which claims have been prescribed under Condition 11 (*Prescription*) and (iii) those which have been purchased and cancelled in accordance with the Conditions.

“**Relevant Debt**” means any present or future indebtedness for borrowed money in the form of, or represented by, bonds (*obligations*), notes or other securities (*titres de créance*, excluding for the avoidance of doubt, *titres de créance négociables*) which are for the time being, or are capable of being, quoted, admitted to trading, listed or ordinarily dealt in on any stock exchange, multilateral trading facility, over-the-counter market or other securities market.

“**Security Interest**” means any mortgage, lien, charge, pledge or other form of security interest (*sûreté réelle*) including, without limitation, anything analogous to any of the foregoing under the laws of any jurisdiction.

“**Subsidiary**” means, in relation to any company, another company which is controlled by it within the meaning of Article L.233-3 of the French *Code de commerce*.

4 Interest

4.1 Interest Payment Dates

Each Note bears interest on its principal amount, from (and including) 15 October 2021 (the “**Issue Date**”), at a rate of 2.250 per cent. *per annum* (the “**Rate of Interest**”) payable annually in arrear on 15 October in each year (an “**Interest Payment Date**”) commencing on 15 October 2022.

Where interest is to be calculated in respect of a period which is equal to or shorter than an Interest Period (as defined below), it shall be calculated by applying the Rate of Interest to the principal amount of each Note, multiplying the product by the day-count fraction and rounding the resulting figure to the nearest cent (half a cent being rounded upwards). The day-count fraction will be Actual/Actual - ICMA basis which will be the number of days in the relevant period, from and including the date from which interest begins to accrue to but excluding the date on which it becomes due, divided by the number of days in the Interest Period in which the relevant period falls (including the first but excluding the last day of such period). The period from and including the Issue Date to but excluding the first Interest Payment Date and each successive period from and including an Interest Payment Date to but excluding the next Interest Payment Date is called an “**Interest Period**”.

“**Actual/Actual - ICMA**” means:

- if interest is required to be calculated for a period that is equal to or shorter than the Interest Period to which it applies, the number of days in the relevant period divided by the number of days in the Interest Period in which the relevant period falls;
- if interest is required to be calculated for a period of more than one year, the sum of (a) the number of days of the relevant period falling in the Interest Period in which it begins divided by the total number of days in such Interest Period and (b) the number of days of the relevant period falling in the next Interest Period divided by the total number of days in such next Interest Period.

4.2 Interest Accrual

Each Note will cease to bear interest from and including the due date for redemption unless payment of the principal in respect of the Note is improperly withheld or refused on such date or unless default is otherwise made in respect of the payment.

Interest payments will be made subject to, and in accordance with, the provisions of Condition 5 (*Payments*).

5 Payments

5.1 Method of Payment

Payments of principal and interest in respect of the Notes will be made in Euro by transfer to a Euro denominated account (or any other account to which Euro may be credited or transferred) specified by the payee with a bank in a country within the TARGET System. Such payments shall be made for the benefit of the Noteholders to the Account Holders.

None of the Issuer, the Fiscal Agent, the Make-whole Calculation Agent or the Paying Agent shall be liable to any Noteholder or other person for any commission, costs, losses or expenses in relation to, or resulting from, the credit or transfer of Euro, or any currency conversion or rounding effect in connection with such payment being made in Euro.

Payments in respect of principal and interest on the Notes will, in all cases, be made subject to any fiscal or other laws and regulations or orders of courts of competent jurisdiction applicable in respect of such payments to the Issuer, the Fiscal Agent, the Make-whole Calculation Agent, the Paying Agent, the relevant Account Holder or, as the case may be, the person shown in the records of Euroclear France, Euroclear or Clearstream, Luxembourg as the holder of a particular principal amount of Notes, but without prejudice to the provisions of Condition 7 (*Taxation*).

5.2 Payments on Business Days

If the due date for payment of any amount of principal, interest or other amounts in respect of any Note is not a Business Day, payment shall not be made of the amount due and credit or transfer instructions shall not be given in respect thereof until the next following Business Day and the Noteholders shall not be entitled to any interest or other sums in respect of such postponed payment.

For the purposes of these Conditions:

A “**Business Day**” means any day (not being a Saturday or a Sunday) on which (i) the TARGET System is operating and (ii) on which Euroclear France is open for general business; and

“**TARGET System**” means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) System or any successor thereto.

5.3 Fiscal Agent, Principal Paying Agent, Paying Agent and Put Agent

The name of the initial Fiscal Agent, Principal Paying Agent, Paying Agent and Put Agent and their specified offices is set forth below:

Fiscal Agent, Principal Paying Agent, Paying Agent and Put Agent

CACEIS Corporate Trust

1-3, place Valhubert

75013 Paris

France

The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent and/or Paying Agent and/or Put Agent and/or appoint additional or other Paying Agents or Put Agent or approve any change in the office through which any such Paying Agent acts, provided that there will at all times be (i) a Fiscal Agent having a specified office in a European city, (ii) a Put Agent and (iii) so long as any Notes are listed on the Official List of Euronext Dublin and admitted to trading on the

Global Exchange Market, and to the extent that the rules of Euronext Dublin so require, a Paying Agent having a specified office in a European city (which may be the Fiscal and principal Paying Agent).

Any termination or appointment shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not more than forty five (45) nor less than thirty (30) calendar days' notice thereof shall have been given to the Noteholders by, or on behalf of, the Issuer in accordance with Condition 10 (*Notices*). In addition, so long as any Notes are listed on the Official List of Euronext Dublin and admitted to trading on the Global Exchange Market, and to the extent that the rules of Euronext Dublin so require, any such notice to the Noteholders shall also, to the extent and in the manner permitted by the rules of Euronext Dublin, posted on the official website of Euronext Dublin (<https://live.euronext.com/>).

In the absence of wilful default, bad faith or manifest error, no liability to the Noteholders shall attach to any of the Paying Agents or the Put Agent in connection with the exercise or non-exercise by them of their powers, duties and discretions under these Conditions.

5.4 Make-whole Calculation Agent

The Make-whole Calculation Agent shall act solely as agent of the Issuer and shall not assume any obligation or relationship of agency for, and shall not be liable (to the fullest extent permitted by law) as against, any Noteholder, the Representative or any Agent. The Make-whole Calculation Agent shall act solely upon request of the Issuer, and the Make-whole Calculation Agent shall not be required to monitor or take any steps to ascertain whether a calculation or any other determination is required to be made by it or any event which could require any such calculation or other determination has occurred or may occur, and shall not be responsible or liable (to the fullest extent permitted by law) to any Noteholder, the Representative or any Agent for any loss arising from any delay or failure by it to do so.

Subject as provided in the Make-whole Calculation Agency Agreement, (i) the Issuer reserves the right at any time to vary or terminate the appointment of the Make-whole Calculation Agent and/or appoint another Make-whole Calculation Agent, provided that there will at all times be a Make-whole Calculation Agent, and (ii) the Make-whole Calculation Agent may not resign its duties or be removed without a successor having been appointed.

Notice of any change of Make-whole Calculation Agent or any change of its specified office shall promptly be given (or caused to be given) by the Issuer to the Noteholders in accordance with Condition 10 (*Notices*). In addition, for so long as any Notes are listed on the Official List of Euronext Dublin and admitted to trading on the Global Exchange Market, and to the extent that the rules of Euronext Dublin so require, any such notice to the Noteholders shall also, to the extent and in the manner permitted by the rules of Euronext Dublin, posted on the official website of Euronext Dublin (<https://live.euronext.com/>).

6 Redemption and Purchase

The Notes may not be redeemed otherwise than in accordance with this Condition or Condition 8.

6.1 Redemption at Maturity

Unless previously redeemed or purchased and cancelled, the Notes will be redeemed in full at their principal amount (i.e. €100,000 per Note) on the Interest Payment Date falling on 15 October 2028 the (“**Maturity Date**”).

6.2 Pre-Maturity Call Option

The Issuer may, at its option, from (and including) 15 July 2028 (the “**Pre-Maturity Call Option Start Date**”) to (but excluding) the Maturity Date, 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 10 (*Notices*) (which notice shall be irrevocable), redeem the outstanding Notes, in whole (but not in part), at their principal amount plus accrued interest up to (but excluding) the date fixed for redemption.

In addition, so long as any Notes are listed on the Official List of Euronext Dublin and admitted to trading on the Global Exchange Market, and to the extent that the rules of Euronext Dublin so require, any such notice to the Noteholders shall also, to the extent and in the manner permitted by the rules of Euronext Dublin, posted on the official website of Euronext Dublin (<https://live.euronext.com/>).

6.3 Make-whole Redemption by the Issuer

On any date from the Issue Date to the Pre-Maturity Call Option Start Date (the “**Make-whole Redemption Date**”), the Issuer will, subject to compliance with all relevant laws and regulations and having given (i) not more than forty-five (45) nor less than thirty (30) calendar days’ prior notice to the Noteholders in accordance with Condition 10 (*Notices*) and (ii) not less than fifteen (15) calendar days before the giving of the notice referred to in (i) above, notice to the Fiscal Agent and the Make-whole Calculation Agent (which notices shall be irrevocable), have the option to redeem all, but not some only, of the Notes then outstanding at their relevant Make-whole Redemption Amount, together with interest accrued up to their effective redemption date.

On or no later than the Business Day immediately following the date on which the Make-whole Redemption Amount is calculated by the Make-whole Calculation Agent, the Make-whole Calculation Agent shall notify the Issuer, the Fiscal Agent and the Noteholders of the Make-whole Redemption Amount.

The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Make-whole Calculation Agent shall (in the absence of manifest error) be final and binding upon all parties. The Make-whole Calculation Agent shall act as an independent expert and not as agent for the Issuer or the Noteholders.

“**Make-whole Redemption Amount**” means an amount in Euro rounded to the nearest cent (half a cent being rounded upwards) calculated by the Make-whole Calculation Agent and being the greater of (x) the principal amount of the Notes and (y) the sum of the then present values on the relevant Make-whole Redemption Date of (i) the principal amount of the Notes and (ii) the remaining scheduled payments of interest on such Notes to (and including) the Pre-Maturity Call Option Start Date (assuming for this purpose that accrued interest to (but excluding) such date would be payable on such date) (determined on the basis of the Rate of Interest applicable to such Note from but excluding the Make-whole Redemption Date), discounted to the relevant Make-whole Redemption Date on an annual basis (Actual/Actual - ICMA) at the Make-whole Redemption Rate plus the Make-whole Redemption Margin.

For the purposes of these Conditions:

“**Make-whole Redemption Margin**” means 0.45 per cent. *per annum*.

“**Make-whole Redemption Rate**” means the rate *per annum* equal to the average of the four quotations given by the Reference Dealers of the mid-market annual yield to maturity of the Reference Benchmark Security on the fourth (4th) Business Day in Paris preceding the Make-whole Redemption Date at 11.00 a.m. (Central European time (CET)).

“**Reference Benchmark Security**” means the German federal government bond bearing interest at a rate of 0.250 per cent. *per annum* and maturing on 15 August 2028 (ISIN: DE0001102457). If the Reference Benchmark Security is no longer outstanding, a Similar Security will be chosen by the Make-whole Calculation Agent after prior consultation with the Issuer if practicable under the circumstances, at 11.00 a.m. (Central European time (CET)) on the fourth (4th) Business Day in Paris preceding the Make-whole Redemption Date, quoted in writing by the Make-whole Calculation Agent to the Issuer.

“**Reference Dealers**” means each of the four banks (that may include the Joint Bookrunners) selected by the Make-whole Calculation Agent which are primary European government security dealers, and their respective successors, or market makers in pricing corporate bond issues.

“**Similar Security**” means one or more bonds issued by the German federal government having an 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.

6.4 Redemption for Taxation Reasons

- a. If, by reason of a change in any law or regulation of France, or any change in the official application or interpretation of such law or regulation, becoming effective after the Issue Date, the Issuer would, on the occasion of the next payment of principal or interest due in respect of the Notes, not be able to make such payment without having to pay additional amounts (whether in respect of some of, or all, the Notes) as specified in Condition 7 (*Taxation*), the Issuer may at its sole discretion, at any time, 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 10 (*Notices*) (which notice shall be irrevocable), redeem all, but not some only, of the Notes then outstanding at their principal amount, together with interest accrued to the date fixed 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 or interest without withholding for French taxes.
- b. If the Issuer would on the next payment of principal or interest in respect of the Notes be prevented by French law from making payment to the Noteholders of the full amount then due and payable, notwithstanding the undertaking to pay additional amounts contained in Condition 7 (*Taxation*), then the Issuer shall forthwith give notice of such fact to the Fiscal Agent and the Issuer shall, subject to having given not less than seven (7) calendar days’ prior notice to the Noteholders in accordance with Condition 10 (*Notices*) (which notice shall be irrevocable), redeem all, but not some only, of the Notes then outstanding at their principal amount together with all interest accrued to the date fixed for redemption of which notice hereunder may be given, provided that the due date for redemption shall be no earlier than the latest practicable date on which the Issuer could make payment of the full amount of principal or interest payable in respect of the Notes or, if such date has passed, as soon as practicable thereafter.

6.5 Clean-Up Call Option

In the event that eighty (80) per cent. or more in initial aggregate nominal amount of the Notes (including any further notes to be assimilated with the Notes pursuant to Condition 12 (*Further Issues*)) have been redeemed or purchased and cancelled, the Issuer may, at its option, 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 10 (*Notices*) (which notice shall be irrevocable), redeem the outstanding Notes, in whole (but not in part), at their principal amount plus accrued interest up to (but excluding) the date fixed for redemption.

6.6 Redemption or Purchase following a Change of Control

If, at any time while any of the Notes is outstanding, a Change of Control (as defined below) occurs, each Noteholder will have the option (the “**Put Option**”) to require the Issuer to redeem or, at the Issuer’s option, to procure the purchase of, all or part of its Notes on the Optional Redemption Date (as defined below) at their principal amount, together with (or, where purchased, together with an amount equal to) interest accrued to (but excluding) their effective redemption date.

Promptly upon the Issuer becoming aware of the occurrence of a Change of Control, the Issuer shall give notice to the Noteholders in accordance with Condition 10 (*Notices*), specifying the nature of the Change of Control, the circumstances giving rise to it and the procedure for exercising the Put Option (the “**Change of Control Notice**”).

Each Noteholder will have the right to require the redemption or, at the Issuer’s option, the purchase of all or part of its Notes during the period of forty-five (45) Business Days following the delivery of the Change of Control Notice (the “**Put Period**”). To exercise the Put Option, the Noteholder must transfer (or cause to be

transferred by its Account Holder) its Notes to be so redeemed or purchased to the account of the Put Agent (details of which are specified in the Change of Control Notice) for the account of the Issuer within the Put Period together with a duly signed and completed notice of exercise in the then current form obtainable from the Put Agent (a “**Put Option Notice**”) and in which the Noteholder may specify an account denominated in euro to which payment is to be made under this Condition. No option so exercised may be revoked or withdrawn without the prior consent of the Issuer.

Following the Put Option Notice, the Issuer shall redeem or, at the Issuer’s option, procure the purchase of the Notes tendered as provided above on the Optional Redemption Date.

If ninety (90) per cent. or more of the Notes have been redeemed or purchased pursuant to the provisions of this Condition, the Issuer may, at its option and subject to having given not more than forty-five (45) nor less than thirty (30) calendar days’ prior notice to the Noteholders, in accordance with Condition 10 (*Notices*), given within thirty (30) calendar days after the Optional Redemption Date, redeem the remaining Notes, in whole but not in part, at their principal amount, together with interest accrued to (but excluding) the date of such redemption.

For the avoidance of doubt, the Issuer shall have no responsibility for any cost or loss of whatever kind (including breakage costs) which any Noteholder may incur as a result of or in connection with such Noteholder’s exercise or purported exercise of, or otherwise in connection with, any Put Option (whether as a result of any purchase or redemption arising there from or otherwise).

For the purposes hereof:

“**Change of Control**” means the following event: each time a person or group of persons acting in concert acquires control of the Issuer as a result of the acquisition of shares in the Issuer, provided that no Change of Control shall be deemed to have occurred in the event that Crédit Agricole Assurances, Holding Malakoff Humanis and/or PSP Investments (together with any company controlled by, or under the same control as, any of these companies) acting in concert or individually acquire the control of the Issuer.

For the purpose of this Condition “**acting in concert**” has the meaning given in Article L.233-10 of the French *Code de commerce* and “**control**” has the meaning given in Article L.233-3 of the French *Code de commerce*.

“**Crédit Agricole Assurances**” means Crédit Agricole Assurances, a *société anonyme* registered with the Paris Registry of trade and companies under number 451 746 077.

“**Holding Malakoff Humanis**” means Holding Malakoff Humanis, a *société anonyme* registered with the Paris Registry of trade and companies under number 401 678 180.

“**PSP Investments**” means *Office d’Investissement des Régimes de Pensions du Secteur Public*.

6.7 Purchases

The Issuer may, at any time, purchase the Notes together with rights to interest and any other amounts relating thereto in the open market or otherwise (including, without limitation, by means of a tender and/or exchange offer) at any price in accordance with applicable laws and regulations. All Notes purchased by, or for the account of, the Issuer may, at its sole discretion, be held and resold or cancelled in accordance with applicable laws and regulations.

6.8 Cancellation

All Notes which are purchased for cancellation by the Issuer pursuant to this Condition 6 will forthwith be cancelled (together with rights to interest and any other amounts relating thereto) by transfer to an account in accordance with the rules and procedures of Euroclear France. Any Notes so cancelled may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

7 Taxation

All payments of principal, interest and other assimilated 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 or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of France or any political subdivision or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law.

If French law should require that payments of principal, interest or other assimilated revenues made by the Issuer in respect of any Note be subject to withholding or deduction in respect of any present or future taxes, duties, assessments or governmental charges of whatever nature, the Issuer will, to the fullest extent then permitted by law, pay such additional amounts (“**Additional Amounts**”) as shall result in receipt by the Noteholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such Additional Amounts shall be payable with respect to any Note to, or to a third party on behalf of, a Noteholder (including a beneficial owner (*ayant droit*)) who is liable to such taxes, duties, assessments or governmental charges in respect of such Note by reason of his having some connection with France other than the mere holding of the Note.

8 Events of Default

The Representative (as defined in Condition 9 (*Representation of Noteholders*)), may, upon request of any Noteholder, by written notice given to the Issuer (copy to the Fiscal Agent) and provided that the Event of Default is continuing, cause all, but not some only, of the Notes held by such Noteholder to become immediately due and payable, at their principal amount, together with interest accrued to (but excluding) their actual redemption date, if any of the following events (each, an “**Event of Default**”) occurs and is continuing:

- (a) default by the Issuer in any payment when due of principal or interest on any of the Notes (including any additional amount referred to in Condition 7 (*Taxation*)), if such default shall not have been remedied within ten (10) Business Days after receipt by the Issuer (copy to the Fiscal Agent) of written notice of such default given by the Representative (as defined in Condition 9 (*Representation of Noteholders*)); or
- (b) default by the Issuer in the performance of, or compliance with, any other obligation of the Issuer under the Notes (other than those mentioned in point (a) above), if such default has not have been remedied within twenty (20) Business Days after receipt by the Issuer (copy to the Fiscal Agent) of written notice of such default given by the Representative (as defined in Condition 9 (*Representation of Noteholders*)); or
- (c) to the extent permitted by applicable law (i) a judgment is issued for the judicial liquidation (*liquidation judiciaire*) or for a judicial transfer of the whole of the business (*cession totale de l'entreprise*) of the Issuer or any Material Subsidiary; (ii) the Issuer or any Material Subsidiary makes any conveyance, assignment or other arrangement for the benefit of, or enters into a composition with, all or a substantial number of its creditors with a view to a restructuring or rescheduling of its indebtedness; (iii) the Issuer or any Material Subsidiary is subject to any other insolvency or bankruptcy proceedings; (iv) the Issuer or any Material Subsidiaries is subject to any insolvency or bankruptcy proceedings under any applicable laws before a court having competent jurisdiction over the Issuer or such Material Subsidiary which has an analogous effect to any of the proceedings referred to in (i) to (iii) of this paragraph (c); (v) the Issuer or any Material Subsidiary is wound up or dissolved except with the prior approval of the *Masse* for the purposes of an amalgamation, reorganisation, consolidation or merger which is implemented; or
- (d) any other present or future Financial Indebtedness of the Issuer or any Material Subsidiary becomes due and payable (*exigible*) prior to its stated maturity by reason of the occurrence of a default, event of default or the like (howsoever described) with equivalent effect (together, “**default**”), provided that the aggregate amount of the relevant Financial Indebtedness equals or exceeds €40,000,000 or its equivalent unless such default is contested in good faith by the Issuer or any Material Subsidiary before a competent court or by other appropriate proceedings; or

- (e) all or any substantial part of the property, assets or revenues of the Issuer or any Material Subsidiary is attached or becomes subject at any time to any order of court or the enforcement of any security interests (*sûretés réelles*) and such attachment or order remains in effect and is not discharged for, or the steps taken to enforce any such security interests are not be withdrawn or stayed, within thirty (30) calendar days; or
- (f) the Issuer or any Material Subsidiary sells or otherwise disposes of all or substantially all of their respective assets or ceases to carry on the whole or substantially all of their respective business or an order is made or an effective resolution passed for its winding up, dissolution or liquidation, unless such winding up, dissolution, liquidation or disposal is made in connection with a merger, consolidation, reconstruction, amalgamation or other form of combination with or to, any other corporation and the liabilities under the Notes are transferred to and assumed by such other corporation, except in connection with all such transaction pursuant to which the surviving entity shall be the transferee of or successor to all or substantially all of the business of the Issuer or the relevant Material Subsidiary and assume all of the obligations of the Issuer with respect to the Notes and, in the case of the Material Subsidiary, if such surviving entity is controlled (within the meaning of Article L.233-3 of the French *Code de commerce*) directly or indirectly by the Issuer.

So long as any of the Notes is outstanding, the Issuer shall, promptly upon becoming aware of the occurrence of any Event of Default specified in this Condition 8, give notice of such occurrence to the Noteholders in accordance with Condition 10 (*Notices*).

“Financial Indebtedness” means for any period (i) the amount of financial borrowings and financial debt with a maturity of less or more than one year, under bonds or borrowed money from banks, financial institutions or financial creditors, (ii) vendor loans and earn out arrangements under acquisitions booked as indebtedness pursuant to IFRS (as defined below) rules, (iii) financial leases and (iv) factoring arrangements or sale of receivables (with recourse) booked as indebtedness pursuant to IFRS rules. It is specified that any operating lease contract accounted for in the balance sheet in accordance with norm IAS 17 will not be considered as Financial Indebtedness.

“IFRS” means international accounting standards within the meaning of the French *Code de commerce*, as amended to the extent applicable to the relevant financial statements.

9 Representation of the Noteholders

The Noteholders will be grouped automatically for the defence of their common interests in a single *masse* (hereinafter referred to as the **“Masse”**).

The *Masse* will be governed by the applicable provisions of the French *Code de commerce*, with the exception of Articles L.228-48, L.228-65 I 1°, 3° and 4°, L.228-65 II, L.228-71, R.228-63, R.228-69 and R.228-72 thereof, provided that any change of the object of the Issuer shall not have a material effect on the nature of the Issuer's business or activities, and that any merger or demerger shall be part of an intra-group reorganisation where the merger is with an existing subsidiary of the Issuer or the demerged entity is or becomes a subsidiary of the Issuer, and subject to the provisions set out below:

(a) 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 (**“Collective Decisions”**) of the Noteholders as further described in Condition 9(d).

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

(b) Representative of the Masse

Pursuant to Article L.228-51 of the French *Code de commerce*, the Representative shall be:

DIIS Group

12 rue Vivienne
75002 Paris - France
rmo@diisgroup.com

The remuneration of the Representative will be equal to €450 per year (excluding taxes).

In the event of impediment, incapacity (for any reason whatsoever), liquidation, dissolution, death, retirement or revocation of the appointment of the Representative, another will be appointed by a Collective Decision.

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

(c) 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.

All legal proceedings against the Noteholders or initiated by them, in order to be valid, must be brought against or by the Representative.

The Representative may not interfere in the management of the affairs of the Issuer.

(d) Collective Decisions

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

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

(i) General Meetings

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

In accordance with Articles L.228-59 and R.228-67 of the French *Code de commerce*, notice of the date, time, place and agenda of any General Meeting will be published as provided under Condition 10 (*Notices*) not less than fifteen (15) calendar days prior to the date of the General Meeting in the case of a first convocation and not less than five (5) calendar days prior to the date of the General Meeting in the case of a second convocation.

Each Noteholder has the right to participate in a General Meeting in person or by proxy, correspondence, and in accordance with Article L.228-61 of the French *Code de commerce*, by videoconference or by any other means of telecommunication allowing the identification of participating Noteholders.

Each Note carries the right to one vote.

(ii) Powers of General Meetings

The General Meeting is empowered to deliberate on the dismissal and replacement of the Representative and may also act with respect to any other matter that relates to the common rights, actions and benefits which now or in the future may accrue with respect to the Notes, including authorising the Representative to act at law as plaintiff or defendant.

The General Meeting may further deliberate on any proposal relating to the modification of the Conditions including any proposal, whether for arbitration or settlement, relating to rights in controversy or which were

the subject of judicial decisions, it being specified, however, that the General Meeting may not increase the liabilities (*charges*) of the Noteholders, nor establish any unequal treatment between the Noteholders, nor decide to convert the Notes into shares.

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

(iii) *Written Resolutions*

Pursuant to Article L.228-46-1 of the French *Code de commerce*, the Issuer shall be entitled in lieu of holding a General meeting to seek approval of a resolution from the Noteholders by way of a Written Resolution (as defined below). Subject to the following sentence, a Written Resolution may be contained in one document or in several documents in like form, each signed by or on behalf of one or more of the Noteholders. Pursuant to Articles L.228-46-1 and R.225-97 of the French *Code de commerce*, approval of a Written Resolution may also be given by way of electronic communication allowing the identification of Noteholders (“**Electronic Consent**”).

Notice seeking approval of a Written Resolution (including by way of Electronic Consent) will be published as provided under Condition 10 (*Notices*) not less than fifteen (15) calendar days prior to the date fixed for the passing of such Written Resolution (the “**Written Resolution Date**”). Notices seeking the approval of a Written Resolution 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 Written Resolution.

For the purpose hereof, Written Resolution shall be approved when signed by or on behalf of Noteholders (including by Electronic Consent) representing not less than 80 per cent. in nominal amount of the Notes outstanding.

(e) *Publication of Collective Decisions*

Collective Decisions and all notices to the Noteholders pursuant to this Condition 9 (including without limitation all decisions of the Issuer or any Collective Decisions mentioned in Articles R.228-61, R.228-79 and R.236-11 of the French *Code de commerce*) will be published in accordance with the provisions set out in Condition 10 (*Notices*).

(f) *Information to the Noteholders*

Each Noteholder or Representative thereof will have the right, during the fifteen (15)-calendar-day period preceding the holding of each General Meeting on first convocation (or preceding the Written Resolution Date in the case of a Written Resolution) and during the five (5)-calendar-day period preceding the holding of such General Meeting on second convocation, to consult or make a copy of the text of the resolutions which will be proposed and of the reports which will be presented at the General Meeting (or submitted in connection with a Written Resolution), all of which will be available for inspection at the registered office of the Issuer, at the offices of the Paying Agent and at any other place specified in the notice of the General Meeting or the Written Resolution.

(g) *Expenses*

The Issuer will pay all reasonable expenses incurred in the operation of the Masse (including those incurred by the Representative in the proper performance of their functions and duties), and those relating to the calling and holding of General Meetings and seeking approval of a Written Resolution and, more generally all administrative expenses resolved upon by Collective Decisions, it being expressly stipulated that no expenses may be imputed against interest payable on the Notes.

For the avoidance of doubt, in this Condition 9, the term “outstanding” shall not include those Notes purchased by the Issuer in accordance with Article L.213-1 A of the French *Code monétaire et financier* that are held by it and not cancelled.

10 Notices

Any notice to the Noteholders and relating to the convocation, decision(s) of the General Meetings and Written Resolutions pursuant to this Condition 10 will be valid if delivered through Euroclear France, Euroclear or Clearstream, and, for so long as the Notes are admitted to the operations of such depositaries or custodian, published on the website of the Issuer (www.korian.com).

In addition, for so long as any Notes are listed on the Official List of Euronext Dublin and admitted to trading on the Global Exchange Market, and to the extent that the rules of Euronext Dublin so require, any such notice to the Noteholders shall also, to the extent and in the manner permitted by the rules of the Euronext Dublin, posted on the official website of Euronext Dublin (<https://live.euronext.com/>) and, in connection with any redemption, and to the extent that the rules of Euronext Dublin so require, the Issuer will notify Euronext Dublin of any change in the principal amount of Notes outstanding.

11 Prescription

Claims against the Issuer for the payment of principal and interest in respect of the Notes shall become prescribed 10 years (in the case of principal) and five years (in the case of interest) from the due date for payment thereof.

12 Further Issues

The Issuer may, from time to time without the consent of the Noteholders, issue further Notes to be assimilated (*assimilables*) with the Notes as regards their financial service, provided that such further notes and the Notes shall carry rights identical in all respects (or in all respects except for the issue price, the amount and the first payment of interest thereon) and that the terms of such further notes shall provide for such assimilation.

13 Governing Law and Jurisdiction

- (a) **Governing Law:** The Notes and all non-contractual obligations arising from or connected 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 may be brought before any competent court located within the jurisdiction of the registered office of the Issuer.

USE OF PROCEEDS

The net proceeds of the issuance of the Notes will amount to €296,409,000 and it is the Issuer’s intention to use an amount equivalent to the net proceeds from the offering of the Notes, issued pursuant to the Social Financing Framework, to finance and/or re-finance, in whole or in part, new or existing projects, which may take the form of social investments, assets, capital expenditures or operational expenditures as defined by the Eligible Social Categories as presented in the Issuer’s Social Financing Framework available on the Issuer’s website (<https://www.korian.com/en/sustainable-finance>) and outlined below (the “**Eligible Social Projects**”).

The Eligible Social Projects may for instance include:

- Construction and/or development of on-going or future assets;
- Refurbishment and/or extension of existing assets;
- Acquisitions of existing assets;
- Provision of services, solutions and technologies.

A three-year lookback and two-year look-forward period will apply to Eligible Social Projects.

Review of the “**Eligible Social Categories**”

SBP / SLP	Eligible Categories	Eligibility Criteria	Target Population	Social Objective	SDG
Access to essential services	Long-term care nursing homes	<p>Construction, extension, refurbishment and/or acquisition of eligible nursing homes aiming to:</p> <ul style="list-style-type: none"> ✓ Extend the existing or potential future capacities and/or ✓ Improve the quality of life for both fragile people and employees in existing facilities and enable the adaptation to new needs. <p>Eligible nursing home is defined as a facility meeting the following cumulative criteria:</p> <ul style="list-style-type: none"> ✓ Located in a country where the regulation/ license allows to ensure both the affordability and quality of care 	Dependent elderly people ²	Increase and/or improve long-term care nursing homes capacity for dependent elderly people	<p>3.8</p> <p>3.4</p> <p>9.1</p>

² For the sake of clarity, “Dependent people” refer to people eligible for a dependency status as defined by the health authorities or insurance system in the country (Groupe Iso-Ressource “GIR” in France or equivalent).

“Elderly people” refer to people aged 65+ .

		<ul style="list-style-type: none"> ✓ Located in a country or region where a significant increase of the number of elderly people is expected by 2030 ✓ Providing personalised or therapeutic care programmes to fragile people in conditions of optimal quality and safety as evidenced by the implementation of the ISO 9001 certification and Positive Care¹ approach. 			
Access to essential services	Medical care and clinics	<p>(Re)financing of projects that provide access to essential medical infrastructure and services including:</p> <ul style="list-style-type: none"> ✓ Primary Care ✓ Post-acute ✓ Specialties (including chronic diseases and mental health)³ ✓ Home Care <p>Eligible Medical Care and clinics project is defined as a project meeting the following cumulative criteria:</p> <ul style="list-style-type: none"> ✓ Located in a country where the regulation/ license allows to ensure both the affordability and quality of care ✓ Located in a country or region where a significant increase of the number of elderly people is expected by 2030 	People in need of medical care	Increase and improve medical care capacity for people in need of medical support	<p>3.4 & 3.8</p> <p>9.1</p>

¹ Presentation to ISO 9001 certification and Positive Care will be rolled out in a maximum of 3 years period starting from inclusion of the project in a financing issued under the Social Financing Framework.

³ Korian is specialized in the following fields: musculoskeletal system, cardiology, neurology, respiratory diseases, geriatrics, severe burns and mental health (depression, mood disorders, addiction and nutrition).

<p>Access to essential services</p>	<p>Proximity and community services, housing solutions, and digital technologies</p>	<p>(Re)financing of projects that provide access to alternative non-medical services and housing solutions as well as digital technologies to fragile and elderly people, including but not limited to:</p> <ul style="list-style-type: none"> ✓ Access to multidisciplinary support in the home including home help, nursing services and caring for chronic disease ✓ Shared housing solutions complementing traditional nursing homes and providing an alternative solution for fragile people with diminishing autonomy ✓ Electronic and digital technologies enabling to improve the daily provision of care to patients and/or foster a safer living environment for patients and fragile people 	<ul style="list-style-type: none"> • Fragile people with diminishing autonomy who can no longer live alone or without assistance in their home. • Dependent elderly people⁴ • People in need of medical care 	<p>Increase the access to alternative non-medical services, housing and digital solutions to retain elderly and fragile people autonomy in the context of an increasing longevity challenge caused by accelerated ageing in our societies</p> <p>Improve the daily provision of care to patients and/or foster a safer living environment for patients and fragile people</p>	<p>9.1</p> <p>10.2</p>
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⁴ For the sake of clarity, “Dependent people” refer to people eligible for a dependency status as defined by the health authorities or insurance system in the country (Groupe Iso-Ressource “GIR” in France or equivalent).

“Elderly people” refer to people aged 65+ .

Exclusion criteria:

In addition to the above eligibility criteria, Korian defined the below exclusion criteria to ensure a robust, transparent and holistic approach for selecting eligible projects:

- Environment: Projects that would not have been subject to any environmental review.
- Social: Assets/projects/services where the affordability⁵ cannot be demonstrated will be excluded.
- Governance: any assets bearing material controversies⁶ will be excluded from the eligible assets and will be replaced by another eligible asset on a best effort basis.

Governance of the Social Financing Framework

Korian has set up a Social Financing Committee (“**Committee**”) to oversee the project evaluation and selection process and ensure selected projects comply with the eligibility criteria defined in the Use of Proceeds section of the Social Financing Framework and with Korian’s corporate responsibility strategy.

The Committee will be chaired by the Group Chief HR & CSR Officer and furthermore composed of representatives from each of Korian’s CSR, Quality, Financing teams, and CEOs of the countries where the targeted projects are located.

The CSR expertise will be represented at different levels within the Committee:

- At Board member level with the Group Chief HR & CSR Officer, to ensure a senior representative level in the Committee
- Complemented by experts at operational level including the Group CSR VP in charge of driving and monitoring the ESG strategy

The Committee will meet twice per year and will be responsible for:

- Reviewing and approving the selection of projects based on the selection criteria defined in the Use of Proceeds section of the Social Financing Framework;
- Monitoring the Social Asset Pool (as defined in the Social Financing Framework)/selected projects, throughout the life of the Social Financing Instruments (as defined in the Social Financing Framework);
- Removing from the Social Asset Pool/selected projects any projects that no longer meet the eligibility criteria, and replacing them with new projects as soon as feasible;
- Reviewing and validating the annual report for investors and external verification.

Identification and Management of non-financial risks

As part of its risk management process, Korian analyzes its most significant risks to identify those which have a social, environmental or labour dimension and are likely to affect the Group, its activities, its performance, its stakeholders or the environment.

Hence, for each of the 5 Pillar of its ESG strategy, Korian has identified non-financial risks and sub-risks, put in place policies and actions to manage these risks and set Key Performance Indicators (“**KPIs**”) to monitor them.

⁵ Affordability will be demonstrated taking into account, among others, public regulation or public financial support, when applicable and relevant.

⁶ Material controversy should be based on reliable source and induce a severe impact.

In particular under its 1st pillar, “Provide care excellence whilst ensuring dignity and choice”, Korian has put in place several actions and policies to manage the risks linked to Covid 19 pandemic, Treatment and Care, Reputation and People Safety. Korian has defined several KPIs covering for instance the satisfaction rate among families of nursing home residents and patient in specialized clinics, 360° Quality Audit or ISO 9001 certification.

In particular under its 5th pillar “Reduce our environmental Footprint”, Korian has put in place actions and policies to manage both the risk of environmental damage of its activities (including but not limited to carbon emissions, biodiversity impact and waste management) and the risk of poor preparedness for major climatic events. Korian has also defined some KPIs on HQE (or equivalent) certifications on real estate projects in their pipeline, energy consumption and water consumption.

Non-financial risks identified for each of the 5 pillars together with the methodology used to define and manage these risks are detailed within the 2020 Korian Universal Registration Document.

While defined at corporate level, the above methodology also applies at project level and provides robust processes to identify, manage and mitigate potential risks associated to eligible projects.

Management of Proceeds

An amount equivalent to the net proceeds of the Notes will be allocated and managed by Korian’s Finance team together with the CSR Team. Korian will track the allocation of proceeds for the purpose of recording the assets and projects in the Social Asset Pool.

Pending allocation to the Social Asset Pool, net proceeds from the Notes may be temporarily invested or otherwise maintained in cash and cash equivalents. Payment of principal and interest on the Notes will be made from Korian’s general funds and will not be directly linked to the performance of the Social Asset Pool. Korian is committed on a best efforts basis to ensure the allocation of proceeds within 24 months of the issue of the Notes.

Reporting

Within one year from issuance of the Notes and annually until full allocation, Korian will prepare and make readily available information on the allocation of net proceeds of the Notes to the Social Asset Pool and associated impact metrics. The information will be made available on Korian’s corporate website and/or within its Universal Registration Document (Chapter 3 - Environmental, Social and Corporate Governance including the consolidated non-financial performance statement report certified by an Independent third-party).

Allocation Reporting

To the extent practicable, the Issuer will provide information such as:

- The total amount of proceeds allocated;
- The share of financing vs refinancing;
- The number of projects;
- The balance of unallocated proceeds.

Impact Reporting

The Issuer will endeavor to report on relevant impact metrics, which may include:

Eligible categories	Example of relevant impact metrics
Long-term care nursing homes	<ul style="list-style-type: none"> • Number of facilities • Number of beds • Number of beneficiaries • Net satisfaction score (in %)
Medical care and clinics	<ul style="list-style-type: none"> • Number of facilities • Number of beds or capacity • Number of beneficiaries • Split of beds or capacities by specialty when relevant and feasible
Proximity and community housing solutions, services and technologies	<ul style="list-style-type: none"> • Number of facilities, beds or agencies as applicable • Number of beneficiaries • Number of jobs created or generated when relevant and feasible

Korian commits on a best effort basis to disclose the key underlying methodology and/or assumptions used in the quantitative determination of the impact metrics.

Korian will strive to provide projected metrics to illustrate the expected benefits generated by the eligible projects when feasible and relevant (including for example additional capacities, expected additional beneficiaries, expected additional jobs creation, ...).

Second Party Opinion

Korian has appointed S&P Global Ratings to provide an independent Second Party Opinion report on the Social Financing Framework. The Second Party Opinion will be made publicly available on Korian's corporate website at: <https://www.korian.com/en/sustainable-finance>.

No assurance or representation is given as to the suitability or reliability for any purpose whatsoever of the Second Party Opinion and in particular as to whether the Notes fulfil any social and/or other criteria.

The Second Party Opinion is not a recommendation to buy, sell or hold the Notes. Neither the Second Party Opinion nor the Social Financing Framework is incorporated in, and they do not form part of, this Offering Memorandum.

RECENT DEVELOPMENTS

The following press release has been published by Korian on 1 September 2021:

“Korian announces the success of the offering of undated bonds convertible into new shares and/or exchangeable for existing shares (*ODIRNANE*) for a nominal amount of approximately €332.5 million and the results of the concurrent repurchase of the outstanding undated convertible bonds issued in June 2017 and September 2018

Korian (the “**Company**”), the leading European Care Services Group for elderly and fragile people, has successfully completed today an issuance of 7,508,009 unsubordinated, unsecured, undated bonds convertible into new shares and/or exchangeable for existing shares (the “**Bonds**”), without shareholders’ preferential subscription rights by way of public offering to qualified investors only as defined in article 2 point (e) of Regulation (EU) 2017/1129 in accordance with Article L. 411-2, 1° of the French Monetary and Financial Code (*Code monétaire et financier*), for a nominal amount of €332,454,638.52 following full exercise of the increase option.

Philippe Garin, Group CFO, said: “*This successful offering, enabling us to fully exercise the increase option, illustrates investors’ confidence in Korian as well as its credit quality and allows the Group to reduce the interest paid in the years to come, whilst also significantly reducing the level of potential dilution of the issued bonds.*”

Net proceeds of the offering will be used to finance the Repurchase (as defined further below) of 100% of the outstanding undated convertible bonds issued in June 2017 and September 2018 (the “**Outstanding Bonds**”) as well as for general financing needs of the Company.

The settlement and delivery of the Bonds is expected to take place on September 8th, 2021. Settlement and delivery of the Repurchase is expected on September 9th, 2021, subject to the condition precedent of the settlement and delivery of Bonds.

NEW ISSUE OF UNDATED CONVERTIBLE BONDS

Main terms of the Bonds

The Bonds will be issued at par with a nominal value per Bond of €44.28 with a premium of 30.0% above the Company’s reference share price⁷.

From the issue date until September 8th, 2026, the Bonds will bear interest at a nominal annual rate of 1.875% payable semi-annually in arrear on September 8th and March 8th of each year (or the next working day if any of those dates is a non-working day) (each, an “**Interest Payment Date**”), and for the first time on March 8th, 2022, subject to any interest payment suspension by the Company (in accordance with the Bonds’ terms and conditions).

In the event of a change of control, the annual rate for the fixed coupon or the floating rate coupon, as the case may be, will be increased by 500 basis points.

On any Interest Payment Date, the Company may decide, subject to certain conditions, to suspend payment of interest in respect of the Bonds for the relevant interest subject to having notified bondholders if, during the 12-month period preceding such Interest Payment Date, no payment of a dividend or interim dividend in respect of the Korian’s shares has been decided or paid. Any interest payment that is deferred (a “**Deferred Interest**”) will bear interest from the interest payment suspension date at the interest rate applicable to the Bonds at the relevant period (the “**Additional Interest**”). The amount of Additional Interest will become due and payable in the same manner as Deferred Interest. The amount of Additional Interest and the Deferred Interest may be paid in full or in part at any time at the Company’s option. All Deferred Interest as well as the

⁷ The reference share price is equal to €34.0645 (corresponding to the volume-weighted average price of the Company on Euronext Paris on September 1st, 2021).

corresponding amount of Additional Interest will become payable in full in specific cases, including if the Company decides the payment of a dividend or of an interim dividend or upon redemption of all outstanding Bonds.

From September 8th, 2026, the Bonds will bear interest at a rate expressed on an annual basis equal to the 6-month Euribor rate increased by 900 basis points, payable semi-annually in arrear on each Interest Payment Date and, as the case may be, for the first time on March 8th, 2027, subject to any interest payment suspension.

The Bonds are undated, subject to cases of early redemption at the Company's option, and will only be repayable in the event of the liquidation of the Company or upon the expiry of the term indicated in the Company's by-laws (unless extended in accordance with applicable legislation).

The Company may at its option proceed with early redemption of all, but not some, of the Bonds under certain conditions and, in particular (i) for the first time from September 8th, 2026 and then on each Interest Payment Date, (ii) in case of change of control, (iii) from September 8th, 2024 until September 8th, 2026, if the arithmetic average, calculated over any period of 20 consecutive trading days falling within any period of 40 consecutive trading days preceding the publication of the early redemption notice, of the daily products of the Company's closing trading share price on the regulated market of Euronext in Paris ("**Euronext Paris**") and the conversion/exchange ratio in effect on each trading day during such period exceeds 130% of the nominal value of the Bonds and (iv) if the total number of the Bonds outstanding is less than 15% of the number of Bonds originally issued.

Bondholders may exercise their conversion/exchange right at any time from the issue date (inclusive) until the 7th working day (exclusive) preceding the first of the two following dates: September 8th, 2026 or, as the case may be, the date set for any early redemption.

Upon exercise of their conversion/exchange right, bondholders will receive, at the option of the Company, either an amount in cash, or a combination of cash and new and/or existing Korian shares, or only new and/or existing shares.

The number of new and/or existing shares to be delivered to the bondholders, as the case may be, will depend on the conversion/exchange ratio of the Bonds, which will be adjusted in certain customary cases for this type of securities, including in case of any dividend payment by the Company.

Maximum potential dilution will be equal to approximately 7.4% of the outstanding share capital (should the Company decide to exclusively deliver new shares upon conversion), based on an offering of Bonds for a nominal amount of approximately €332.5 million, of a nominal value of €44.28 per Bond, and the repurchase and cancellation of 96.8% of the Outstanding Bonds in the context of the Repurchase (as defined further below). In case of repurchase and early redemption of 100% of the Outstanding Bonds, potential dilution would be reduced to 7.1% of the outstanding share capital.

Offer to qualified investors only

The offering has been conducted in accordance with Article L.411-2, 1° of the French Monetary and Financial Code (*Code monétaire et financier*), as per the authorization granted by the Company's extraordinary general meeting held on June 22nd, 2020 (20th resolution), through an offer to qualified investors only, as defined in article 2 point (e) of Regulation (EU) n° 2017/1129, in France and outside France (excluding the United States of America, Canada, Australia and Japan).

An application will be made for admission of the Bonds to trading on the non-regulated open market of Euronext in Paris (Euronext AccessTM) within one month following the issue date.

In the context of the offering, the Company has agreed to a lock-up undertaking ending 90 calendar days following the issue date of the Bonds, subject to certain customary exceptions.

BNP PARIBAS and Crédit Agricole CIB acted as Global Coordinators, Joint Lead Managers and Joint Bookrunners. Goldman Sachs Bank Europe SE, J.P. Morgan AG and Société Générale acted as Joint Lead Managers and Joint Bookrunners (together with the Global Coordinators, Joint Lead Managers and Joint Bookrunners, the "**Managers**"). The Repurchase (as defined further below) was led by BNP PARIBAS, Crédit

Agricole CIB, Goldman Sachs Bank Europe SE, J.P. Morgan AG and Société Générale, who acted as Joint Dealer Managers (the “**Joint Dealer Managers**”).

REPURCHASE UNDER CERTAIN CONDITIONS OF THE OUTSTANDING BONDS (ISIN code: FR0013266087)

Concurrently to the launch of the offering of the Bonds, Korian has collected today via the Joint Dealer Managers, by way of a reverse bookbuilding process, indications of interest to sell 7,220,738 Outstanding Bonds (the “**Repurchase**”), representing 96.8% of the Outstanding Bonds, on the basis of a price per Outstanding Bond equal to €44.56, representing a total amount of the Repurchase of approximately €321.8 million.

The Repurchase has been targeted at holders of the Outstanding Bonds that are eligible in their respective jurisdictions, in particular that are not persons located or resident in the United States of America or persons acting for the account or benefit of such persons willing to sell their Outstanding Bonds to Korian.

The settlement and delivery of the Repurchase is expected to occur on September 9th, 2021, subject to the condition precedent of the settlement and delivery of the Bonds on September 8th, 2021. The Outstanding Bonds repurchased by the Company will be cancelled in accordance with their terms and conditions and in accordance with the law. The Company also reserves the right, after completion of Repurchase, to exercise its right to redeem, at its option, the Outstanding Bonds in accordance with their terms and conditions.

INFORMATION AVAILABLE TO THE PUBLIC

Neither the Repurchase nor the offer or admission to trading on Euronext AccessTM of the Bonds is subject to a prospectus approved by the Autorité des marchés financiers (the “**AMF**”). Detailed information on Korian, including its business, results, prospects and related risk factors are described in the Company’s universal registration document filed with the AMF on April 20th, 2021 under number D.21-0331 (the “**URD**”), which is available together with other regulated information and all press releases of the Company on the Company’s website (www.korian.com).

Korian draws the public’s attention to the risk factors presented on page 61 to 80 of the URD.

This press release does not constitute or form part of any offer or solicitation to purchase or subscribe for or to sell securities and the offering of the Bonds is not a public offering to other persons than qualified investors in any jurisdiction including France.”

The following press release has been published by Korian on 6 September 2021:

“Korian strengthens its healthcare activities and creates a business line dedicated to mental health in Italy

- **Acquisition of Gruppo Sage family group specializing in mental health, operating in Lazio**
 - **9 facilities located near Rome with a capacity of 568 beds**
 - **Revenue of 22.5 million euros (2019)**
 - **Acquisition of the premises of 6 facilities**
- **Strengthening of the healthcare offer in Tuscany with the acquisition of an outpatient care center in Florence**

- **Monthly capacity of more than 1,400 patients located in the center of Florence**
- **Revenue of 10.5 million euros (2019) with the CDC Leonardo clinic acquired last June**
- **Creation of a business line dedicated to mental health in Italy**

Paris, 6 September 2021 – Korian, the leading European care services group for elderly and fragile people, is pursuing its targeted acquisition strategy (bolt-on) to strengthen its healthcare networks in Tuscany, Lazio and Piedmont, and announces the creation of a business line dedicated to mental health in Italy.

Korian Italy acquired last August Gruppo Sage, a regional player specializing in mental health. Gruppo Sage operates 9 facilities in Lazio, all ISO 9001 certified and located in Rome and Viterbo, for a total capacity of 568 beds, of which 254 are dedicated to the treatment of psychiatric pathologies. Korian Italy also acquires the walls of 6 of the facilities.

Gruppo Sage, which benefits from an excellent reputation, is the leading private player in mental health in the Lazio region and works closely with the main public hospitals in the region.

Revenue of 22.5 million euros in 2019 should continue to increase by at least 10% by 2023 thanks to the opening of additional beds to cover the needs of the territory in terms of mental health. The 9 newly acquired facilities will also operate in close synergy with the consultation and diagnostic centers and the long-term care facilities already operated by Korian Group in the Rome region.

Thanks to this acquisition, and with a capacity of around 600 full hospital beds, Korian is positioned as one of the leading private players in mental health in Italy, like France and Spain, while care needs are growing very rapidly.

As a reminder, the Group plans to generate sales of around € 250 million in mental health on a European scale in 2022 and intends to actively pursue the development of these activities by focusing on innovative therapeutic approaches adapted to the management of mood disorders and depression, in order to meet the growing care needs in this area, particularly in the new context created by the Covid.

In addition, Korian acquired last July the Leonardo da Vinci Centro Medico Diagnostico outpatient center located in the heart of Florence. This specialized center can accommodate more than 1,400 patients per month.

This acquisition complements that of the CDC Leonardo surgical clinic in Florence, with a capacity of 60 beds, integrated into the scope of the Group last June.

The integration of these two structures, which jointly generated a revenue of around 10.5 million euros in 2019, allows the Group to further strengthen its care offer for chronic patients in Tuscany, a region in which it is the leading private operator, with a network of 12 facilities specializing in rehabilitation, post-acute and long-term care, with a capacity of around 1,200 full hospital beds and 3 outpatient centers, and a revenue in 2019 of 110 million euros, with strong business synergies.

In addition, it is reminded that Korian also acquired in June 2021 the family group Santa Croce, thus developing its health platform in Piedmont.

The integration into the Korian Group network of family groups that are well established in their territories is fully in line with the Group's profitable growth strategy, which combines organic development and targeted acquisitions negotiated over-the-counter to enrich the offer of medical care for chronic patients (post-acute and rehabilitation care, mental health).

Next financial publication

- 28 October 2021 : 3rd quarter 2021 revenue”

The following press release has been published by Korian on 8 September 2021:

“Korian announces the early redemption of undated bonds convertible into new shares and/or exchangeable for existing shares (ODIRNANE) issued in July 2017 and September 2018 (ISIN: FR0013266087) (the “2017 ODIRNANE”)

Paris, 8 September 2021 - Korian (the “**Company**”) announces to the holders of 2017 ODIRNANE (which term includes, for the avoidance of doubt, the further 2017 ODIRNANES issued in September 2018) that following the repurchase offer dated September 1st, 2021 to repurchase the 2017 ODIRNANE, the total number of outstanding 2017 ODIRNANE is, as of the date of this notice, less than 10% of the number of 2017 ODIRNANE originally issued.

Consequently, the Company informs the holders of the outstanding 2017 ODIRNANE that it will proceed with the early redemption of such outstanding 2017 ODIRNANE in accordance with Condition 9.3 of the terms and conditions of the 2017 ODIRNANE (the “**Terms and Conditions**”, or the “**Conditions**”) for the purposes of their cancellation in accordance with applicable law.

The date of early redemption of the 2017 ODIRNANE shall be October 25th, 2021 (the “**Early Redemption Date**”). The early redemption price per each 2017 ODIRNANE will amount to EUR 40.21 (being the par value of each 2017 ODIRNANE), together with interest accrued from (and including) July 1st, 2021 (being the most recent Interest Payment Date) to (but excluding) the Early Redemption Date, i.e. a total amount of EUR 40.52832 per each 2017 ODIRNANE (the “**Early Redemption Price**”).

Pursuant to the Terms and Conditions, the holders of each 2017 ODIRNANE may exercise the Conversion Right in respect thereof to (and including) September 28th, 2021 (the “**Last Day of the Exercise Period**”).

For the avoidance of doubt, pursuant to the Terms and Conditions:

- (i) the Date of the Request in respect of any such exercise of the Conversion Right shall be required to fall on or prior to the Last Day of the Exercise Period, failing which any such exercise will not be valid and the relevant 2017 ODIRNANES will be redeemed as provided in paragraph (ii) below; and
- (ii) each 2017 ODIRNANE in respect of which the Conversion Right has not been validly exercised such that the Date of the Request falls on or prior to the Last Day of the Exercise Period will be redeemed at the Early Redemption Price on the Early Redemption Date.

Holders of the 2017 ODIRNANE are reminded that in order to exercise their Conversion Right, a request to that effect must be made to the financial intermediary holding their 2017 ODIRNANE in a securities account. Any request for exercise shall be irrevocable as of its receipt by the relevant financial intermediary.

The date of request for exercise shall be the Business Day during which the last of the following conditions (1) and (2) below is met, at 4:00 pm Paris time at the latest, or the following Business Day if any such condition is met after 4:00 pm Paris time (the “**Date of the Request**”):

- (1) CACEIS Corporate Trust in its capacity as centralising agent (the “**Centralising Agent**”) will have received the request for exercise from the financial intermediary in the books of which the 2017 ODIRNANE are held in securities account;
- (2) the relevant 2017 ODIRNANE will have been transferred to the Centralising Agent by the relevant financial intermediary.

Any request for exercise of the Conversion Right sent to the Centralising Agent will be effective as of the first Trading Day following the Date of the Request (such date being the “**Exercise Date**”).

Pursuant and subject to the Terms and Conditions, the holders of the 2017 ODIRNANE in respect of which the Conversion Right has been validly exercised will receive, at the option of the Company, either:

- an amount in cash or a combination of cash and new and/or existing shares of the Company no later than the fourth Trading Day following the end of the relevant Calculation Period; or

- only new and/or existing shares of the Company no later than the fourth Trading Day following the end of the Notification Period.

Capitalised terms used in this notice and not otherwise defined herein shall have the meanings given to them in the Terms and Conditions.

For more information, holders of 2017 ODIRNANE are invited to consult the Terms and Conditions.”

The following press release has been published by Korian on 29 September 2021:

“Project to transform Korian (SA) into a European Company (SE)

Paris, 29 September 2021 – Korian, the leading European care services company for elderly and fragile people, informs its shareholders of the decision of the Board of Directors, on 28 September 2021, to propose a project to transform the corporate form of the Group holding Company into a European company (Societas Europaea).

In the past 5 years, Korian has strongly developed its activities at European scale and is now present in 7 countries, 6 of which are members of the European Union⁸. Since 2019, the Group signed an agreement for the creation of a European Works Council, the first in the sector. Since June 2020, the European Works Council, which gathers together employee representatives from the European Union countries where the Group is present, allows to strengthen the social dialogue at the European level and encourage best practice sharing particularly in relation to care and health and safety at work.

The project to transform Korian SA into a European company, which was presented for information to the members of the Korian’s European Works Council at the beginning of September, as well as to the representative bodies of the countries, according to the applicable regulations, has received a favourable opinion from these representative bodies.

This corporate form will allow Korian to benefit from a legal framework in line with its values and culture as well as with its economic foundation and to consolidate its actions already undertaken at European scale in terms of governance, social dialogue, training and skills development policies and relations with its stakeholders.

Korian will remain governed by French law and listed on the regulated market Euronext Paris. This change of corporate form will not affect Korian's governance, activities, tax regime or registered office. There will also be no impact on the Company's employees and shareholders.

This transformation project will be submitted to shareholders at Korian's combined General Meeting to be held on 2 June 2022.

In addition, in line with this change in the corporate form, the Group has drawn up, on the basis of numerous contributions from its employees throughout Europe and in discussion with the employees’ representative bodies, a new Ethics charter.

With this text, Korian and its employees from all countries of the Group commit to act with ethic, caring and integrity in their mission of caring for and supporting the elderly and fragile people.”

⁸ The Korian Group is present in 7 countries in Europe: France, Germany, Belgium, Italy, Spain, the Netherlands and the United Kingdom. The United Kingdom is a third country in Europe since the Brexit.

TAXATION

The following is a general description of certain tax considerations relating to the holding of the Notes in France. It does not purport to be a complete analysis of all tax considerations relating to the Notes, whether in France or elsewhere. Prospective purchasers of Notes should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of Notes and receiving payments of interest, principal and/or other amounts under the Notes and the consequences of such actions under the tax laws of those countries.

This description is based upon the legislation, published case law and published guidelines and regulations as in force in France on the date of this Offering Memorandum and is subject to any change in law and/or interpretation hereof that may take effect after such date (potentially with retroactive effect).

Withholding taxes applicable to payments made outside France

The following may be relevant to holders of Notes who do not concurrently hold shares of the Issuer:

Payments of interest and other assimilated 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 in certain non-cooperative States or territories (*Etats ou territoires non coopératifs*) within the meaning of Article 238-0 A of the French *Code général des impôts* (a “**Non-Cooperative State**” or “**Non-Cooperative States**”). If such payments under the Notes are made outside France in certain Non-Cooperative States, a 75 per cent. withholding tax will be applicable (subject to certain exceptions and to the more favourable provisions of an applicable tax treaty) by virtue of Article 125 A III of the French *Code général des impôts*.

Furthermore, according to Article 238 A of the French *Code général des impôts* interest and other assimilated revenues on such Notes will not be deductible from the Issuer's taxable income if they are paid or accrued to persons domiciled or established in a Non-Cooperative State or paid on an account held with a financial institution established in such a Non-Cooperative State (the “**Deductibility Exclusion**”). Under certain conditions, any such non-deductible interest and other assimilated revenues may be recharacterised as constructive dividends pursuant to Articles 109 et seq. of the French *Code général des impôts*, in which case such non-deductible interest and other assimilated revenues may be subject to the withholding tax set out under Article 119 bis 2 of the French *Code général des impôts*, at a rate of (i) 26.5 per cent. (to be aligned with the standard corporate income tax rate set forth in Article 219-I of the French *Code général des impôts*, 25% for fiscal years beginning as from 1 January 2022) for payments benefiting legal persons who are not French tax residents, (ii) 12.8 per cent. for payments benefiting individuals who are not French tax residents or (iii) 75 per cent. for payments made outside France in certain Non-Cooperative States (subject to certain exceptions and to the more favourable provisions of an applicable tax treaty).

Notwithstanding the foregoing, neither the 75 per cent. withholding tax set out under Article 125 A III of the French *Code général des impôts* nor, to the extent that the relevant interest and other assimilated revenues relate to genuine transactions and are not in an abnormal or exaggerated amount, the Deductibility Exclusion will apply in respect of the Notes if the Issuer can prove that the main purpose and effect of the issue of the Notes was not that of allowing the payments of interest and other assimilated revenues to be made in a Non-Cooperative State (the “**Exception**”). Pursuant to the *Bulletin Officiel des Finances Publiques-Impôts* BOI-INT-DG-20-50-30 dated 24 February 2021 no. 150, and INT-DG-20-50-20 dated 24 February 2021 no. 290, the 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 are:

offered by means of a public offer within the meaning of Article L.411-1 of the French *Code monétaire et financier* or pursuant to an equivalent offer in a State other than in 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

admitted to trading on a French or foreign regulated market or multilateral securities trading system provided that such market or system is not located in a Non-Cooperative State, and the operation of such market is carried out by a market operator or an investment services provider or any other similar foreign entity, provided further that such market operator, investment services provider or entity is not located in a Non-Cooperative State; or

admitted, at the time of their issue, to the operations of a central depository or of a securities delivery and payment 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.

Since the Notes are admitted, at the time of their issue, to the operations of Euroclear France, payments of interest and other assimilated revenues made by the Issuer under the Notes are neither subject to the 75 per cent. withholding tax set out under Article 125 A III of the French *Code général des impôts* nor to the Deductibility Exclusion (or the withholding tax set out under Article 119 *bis* 2 of the same Code that may be levied as a result of the Deductibility Exclusion).

Withholding taxes applicable to payments made to individuals fiscally domiciled in France

Pursuant to Article 125 A I of the French *Code général des impôts* (i.e. where the paying agent (*établissement payeur*) is established in France), subject to certain exceptions, interest and other assimilated revenues received by individuals who are fiscally domiciled in France are subject to a 12.8 per cent. withholding tax, made that is a prepayment of the income tax to be paid in respect of the year in which the payment has been made. Social contributions (CSG, CRDS and solidarity levy) are also levied by way of withholding at a global rate of 17.2 per cent. on such interest and other assimilated revenues received by individuals who are fiscally domiciled in France, subject to certain exceptions.

SUBSCRIPTION AND SALE

Subscription Agreement

BNP Paribas, BofA Securities Europe SA, Société Générale, Crédit Agricole Corporate and Investment Bank, Crédit Industriel et Commercial S.A., HSBC Continental Europe and ING Bank N.V., Belgian Branch (the “**Joint Bookrunners**”) have, pursuant to a subscription agreement dated 13 October 2021 (the “**Subscription Agreement**”), agreed with the Issuer, subject to the satisfaction of certain conditions, to procure subscribers, failing which to subscribe, for the Notes at an issue price equal to 99.203 per cent. of the principal amount of the Notes, less any applicable commission.

In addition, the Issuer will pay certain costs incurred by it and the Joint Bookrunners in connection with the issue of the Notes. The Joint Bookrunners are entitled to terminate the Subscription Agreement in certain circumstances prior to the issue of the Notes. The Issuer has agreed to indemnify the Joint Bookrunners against certain liabilities in connection with the offer and sale of the Notes.

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**”), nor with any securities regulatory authority of any State or other jurisdiction of the United States, and may not be offered or sold within the United States, or to, or for the account or benefit of, U.S. persons (as defined in the Securities Act), except in certain transactions exempt from the registration requirements of the Securities Act and in compliance with any applicable State securities laws. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Each Joint Bookrunner has represented and agreed that, except as permitted by the Subscription Agreement, it will not offer, sell or deliver the Notes (i) as part of its distribution at any time or (ii) otherwise until forty (40) days after the later of the commencement of the offering and the closing date, within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each dealer to which it sells Notes during the distribution compliance period a confirmation or other notice setting out the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in the preceding sentence have the meanings given to them by Regulation S under the Securities Act.

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

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

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

United Kingdom

Each Joint Bookrunner has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the United Kingdom. For the purposes of this provision, the expression “retail investor” means a person who is one (or more) of the following:

- (i) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the EUWA; or
- (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA.

Each Joint Bookrunner has further represented and agreed that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Prohibition of Sales to European Economic Area Retail Investors

Each Joint Bookrunner has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the EEA. For the purposes of this provision, the expression “retail investor” means a person who is one (or more) of the following:

- (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or
- (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

General

No action has been taken in any jurisdiction that would permit an offer to the public of any of the Notes, or possession or distribution of this Offering Memorandum or any other offering material, in any country or jurisdiction where action for that purpose is required.

Each Joint Bookrunner has agreed that it will comply with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes this Offering Memorandum or any other offering material and obtain any consent, approval or permission required for the purchase, offer or sale of Notes under the laws and regulations in force in any jurisdiction in which it makes such purchase, offer or sale and none of the Issuer or the Joint Bookrunners shall have responsibility therefor.

GENERAL INFORMATION

1. The Legal Entity Identifier (LEI) of the Issuer is: 969500WEPS61H6TJM037.
2. There has been no significant change in the financial or trading position of the Issuer and the Group since 30 June 2021.

Save as disclosed in this Offering Memorandum and the information incorporated by reference herein, there has been no material adverse change in the prospects of the Issuer or the Group since 31 December 2020.

Save as disclosed in this Offering Memorandum, there has been no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) against or affecting the Issuer or any of the Issuer's fully consolidated subsidiaries during the period of twelve (12) months immediately preceding the date of this Offering Memorandum which have had in the recent past or may have individually or in the aggregate a significant effect on the financial position or profitability of the Issuer or the Group.

3. The Notes have been accepted for clearance through Euroclear France, Euroclear and Clearstream systems. The International Securities Identification Number (ISIN) of the Notes is FR00140060J6. The Common Code number for the Notes is 239956106.

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.

4. The Notes will be inscribed in the books of Euroclear France (acting as central depository). The address of Euroclear France is 66 rue de la Victoire, 75009 Paris, France.
5. The issue of the Notes has been authorised by a resolution of the Board of Directors (*Conseil d'administration*) of the Issuer held on 29 July 2021 and a decision of the Chief Executive Officer (*Directrice générale*) of the Issuer dated 11 October 2021.
6. Application has been made to Euronext Dublin ("**Euronext Dublin**") for the approval of this document as Listing Particulars. Application has been made to Euronext Dublin for the Notes to be admitted to the official list (the "**Official List**") and to trading on the Global Exchange Market (the "**GEM**") which is the exchange regulated market of the Euronext Dublin. There can be no assurance that the application to list the Notes on the Official List of Euronext Dublin and to admit the Notes on the Global Exchange Market will be approved and settlement of the Notes is not conditioned on obtaining such listing.
7. The Listing Agent, Arthur Cox Listing Services Limited, is acting solely in its capacity as Listing Agent for the Issuer in relation to the Notes and is not itself seeking admission of the Notes to the Official List of Euronext Dublin or to trading on the Global Exchange Market of Euronext Dublin.
8. For so long as the Notes are outstanding and listed on the Global Exchange Market and the rules of that exchange require, the following documents will be available, during usual business hours on any weekday (Saturdays and public holidays excepted), for inspection in physical form at the office of the Fiscal Agent or each of the Paying Agents:
 - (i) the *statuts* of the Issuer;
 - (ii) this Offering Memorandum;
 - (iii) the documents incorporated by reference in this Offering Memorandum; and
 - (iv) all reports, letters and other documents, historical financial statements, valuations and statements prepared by any expert at the Issuer's request any part of which is included or referred to in this Offering Memorandum.

9. Printed copies of following documents may be obtained, free of charge, at the registered office of the Issuer during normal business hours and copies of such documents will be available on the website of the Issuer (www.korian.com):
 - (i) this Offering Memorandum; and
 - (ii) the documents incorporated by reference in this Offering Memorandum.
10. Mazars and Ernst & Young et Autres (all entities regulated by the *Haut Conseil du Commissariat aux Comptes* (“CNCC”) and duly authorised as *Commissaires aux comptes*) have audited and rendered audit reports on the consolidated financial statements of the Issuer for the years ended 31 December 2019 and 2020 and rendered a limited review report on the interim consolidated financial statements of the Issuer for the six-months period ended 30 June 2021. French auditors carry out their duties in accordance with the principles of *Compagnie Nationale des Commissaires aux Comptes* and are members of the CNCC professional body.
11. The yield in respect of the Notes is 2.375 per cent. *per annum*, as calculated on the Issue Date on the basis of the issue price of the Notes. It is not an indication of future yield.
12. As far as the Issuer is aware and save for the commission payable to the Joint Bookrunners, no person involved in the issue of any of the Notes has an interest material to the issue.
13. At the date of this Offering Memorandum, as far as the Issuer is aware, there are no potential conflicts between the duties of the members of the Board of Directors (*Conseil d’administration*) and their private interests and/or their other duties.
14. In connection with the issue of the Notes, Société Générale will act as stabilising manager (the “**Stabilising Manager**”). The Stabilising Manager (or persons acting on behalf of the Stabilising Manager) may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the final terms of the offer of the Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of thirty (30) calendar days after the issue date of the Notes and sixty (60) calendar days after the date of the allotment of the Notes. Any stabilisation action or over-allotment shall be conducted in accordance with applicable laws and rules. The Issuer confirms the appointment of Société Générale as the central point responsible for adequate public disclosure of information, and handling any request from a competent authority, in accordance with Article 6(5) of Commission Delegated Regulation (EU) 2016/1052 of 8 March 2016 with regard to regulatory technical standards for the conditions applicable to buy-back programmes and stabilisation measures, including as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018.
15. In this Offering Memorandum, unless otherwise specified, references to a “**Member State**” are references to a Member State of the European Economic Area and “**€**”, “**EUR**”, “**Euro**” or “**euro**” are to the single currency introduced at the start of the third stage of European Economic and Monetary Union, and as defined in Article 2 of Council Regulation (EC) No 974/98 of 3 May 1998 on the introduction of the euro, as amended .
16. This Offering Memorandum contains certain statements that are forward-looking including statements with respect to the Issuer’s business strategies, expansion and growth of operations, trends in its business, competitive advantage, and technological and regulatory changes, information on exchange rate risk and generally includes all statements preceded by, followed by or that include the words “**believe**”, “**expect**”, “**project**”, “**anticipate**”, “**seek**”, “**estimate**” or similar expressions. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ materially from those in the forward-looking statements as a result of various factors. Potential investors are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date hereof. These forward-looking statements do not constitute profit forecasts or estimates under the Commission Delegated Regulation 2019/980, as amended, supplementing the Prospectus Regulation.

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