

Offering Memorandum dated 11 June 2021



KORIAN

(incorporated with limited liability in the Republic of France)

£200,000,000 Undated Non-Call 3 Years Deeply Subordinated Fixed Rate Resetable Notes

The £200,000,000 Undated Non-Call 3 Years Deeply Subordinated Fixed Rate Resetable Notes (the “Notes”) of Korian (the “Issuer”) will be issued on 15 June 2021 (the “Issue Date”). The principal and interest of the Notes constitute (subject to certain limitations described in “Status of the Notes” in the Terms and Conditions of the Notes) direct, unconditional, unsecured and lowest ranking subordinated obligations (*engagements subordonnés de dernier rang*) of the Issuer and rank and will rank *pari passu* among themselves and (save for certain obligations required to be preferred by French law) equally and rateably with all other present or future Deeply Subordinated Notes, but subordinated to *titres participatifs* issued by, and *prêts participatifs* granted to, the Issuer, and to Ordinary Subordinated Notes and Unsubordinated Notes of the Issuer, as further defined and set out in “Status of the Notes” in the Terms and Conditions of the Notes.

Unless previously redeemed in accordance with “Redemption and Purchase” in the Terms and Conditions of the Notes and subject to the further provisions described in “Interest” in the Terms and Conditions of the Notes, the Notes will bear interest (i) from and including the Issue Date to, but excluding, the interest payment date falling on 15 June 2024 (the “First Reset Date”), at a rate of 4.125 per cent. *per annum*, payable annually in arrear on 15 June of each year, commencing on 15 June 2022 and ending on the First Reset Date and (ii) from and including the First Reset Date to but excluding the final redemption of the Notes, at a rate *per annum* equal to the relevant Reset Interest Rate for each Reset Period (as defined herein), payable annually in arrear on 15 June of each year, commencing on 15 June 2025. If the Issuer does not elect to redeem the Notes following a Change of Control (as defined herein), the then prevailing rate of interest (and all subsequent rates of interest (if any)) in respect of the Notes shall be increased by the Step-Up Margin (as defined herein) with effect the earlier of (i) the date of the Change of Control Notice (as defined herein) or (ii) the thirtieth (30th) calendar day following the effective Change of Control, to (but excluding) the final redemption of the Notes.

Payment of interest on the Notes may be deferred in whole or in part at the option of the Issuer under certain circumstances, as set out in “Interest - Interest Deferral” in the Terms and Conditions of the Notes.

The Notes do not contain events of default.

The Issuer will have the right to redeem all of the Notes (but not some only) at their principal amount plus accrued and unpaid interest (i) on any date during the period commencing on (and including) the date falling three (3) months prior to the First Reset Date (15 March 2024) and ending on (and including) the First Reset Date or (ii) on any Interest Payment Date thereafter, as defined and further described in “Redemption and Purchase - Optional Redemption” in the Terms and Conditions of the Notes. The Issuer may also, at its option, redeem all of the Notes (but not some only), at any time prior to the date falling three (3) months prior to the First Reset Date (15 March 2024) at the Make-whole Redemption Amount, as defined and further described in “Redemption and Purchase – Make-whole Redemption by the Issuer” in the Terms and Conditions of the Notes. The Issuer may also, at its option, redeem all of the Notes (but not some only) at any time upon the occurrence of a Gross-Up Event, a Withholding Tax Event, a Tax Deductibility Event, an Accounting Event, a Change of Control or a Repurchase Event, each as further described and defined in “Redemption and Purchase” in the Terms and Conditions of the Notes.

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.

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. The Notes will at all times be in book-entry form in compliance with Articles L.211-3 and R.211-1 of the French *Code monétaire et financier*. No physical documents of title (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 will be available on the website of the Issuer (www.korian.com).

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

Sole Bookrunner and Structuring Adviser

Morgan Stanley

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 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 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 Sole Bookrunner and Structuring Adviser (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 Sole Bookrunner and Structuring Adviser to inform themselves about and to observe any such restriction.

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.

UK MiFIR 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 only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("COBS"), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("UK MiFIR"); and (ii) all channels 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 the FCA Handbook Product Intervention and Product Governance Sourcebook (the "UK MiFIR Product Governance Rules") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

SINGAPORE SFA PRODUCT CLASSIFICATION – In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore (the "SFA") and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "CMP Regulations 2018"), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are "prescribed capital markets products" (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

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) FOR A DESCRIPTION OF CERTAIN RESTRICTIONS ON OFFERS AND SALES OF NOTES AND ON DISTRIBUTION OF THIS OFFERING MEMORANDUM, SEE "SUBSCRIPTION AND SALE" HEREIN.

This Offering Memorandum does not constitute an offer of, or an invitation by or on behalf of the Issuer or the Sole Bookrunner and Structuring Adviser to subscribe for, or purchase, any Notes.

The Sole Bookrunner and Structuring Adviser has not separately verified the information contained or incorporated by reference in this Offering Memorandum. The Sole Bookrunner and Structuring Adviser does not have any fiduciary duties to investors and therefore assumes no liability or obligation to investors. The Sole Bookrunner and Structuring Adviser makes no representation, express or implied, and does not accept any responsibility, with respect to the accuracy or completeness of any of the information in this Offering Memorandum. The Sole Bookrunner and Structuring Adviser has not separately verified the information or representations contained or incorporated by reference in this Offering Memorandum. The Sole Bookrunner and Structuring Adviser does not make any representation, express or implied and does 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 Sole Bookrunner and Structuring Adviser 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 Sole Bookrunner and Structuring Adviser does 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 Sole Bookrunner and Structuring Adviser.

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 Sole Bookrunner and Structuring Adviser 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 Sole Bookrunner and Structuring Adviser and its affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Issuer and their affiliates in the ordinary course of business. In addition, in the ordinary course of their business activities, the Sole Bookrunner and Structuring Adviser and its affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or Issuer’s affiliates. The Sole Bookrunner and Structuring Adviser or its affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, the Sole Bookrunner and Structuring Adviser and its affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes. The Sole Bookrunner and Structuring Adviser and its affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and

may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

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.

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

Legality of Purchase

Neither the Issuer, the Sole Bookrunner and Structuring Adviser 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.

Prospective investors should have regard to the information set out in “Use of Proceeds” 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.

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 asset from the Green Asset Pool 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 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 assets from the Green Asset Pool.

The definition (legal, regulatory or otherwise) of, and market consensus for a particular project to be defined as, a “green” or equivalently labelled project is currently under development. On 18 December 2019, the Council and the European Parliament reached a political agreement on a regulation to establish a framework to facilitate sustainable development. On 18 June 2020, Regulation (EU) No. 2020/852 on the establishment of a framework to facilitate sustainable investment was adopted by the Council and the European Parliament (the “Taxonomy Regulation”). The Taxonomy Regulation establishes a single EU-wide classification system, or “taxonomy”, which provides companies and investors with a common language for determining which economic activities can be considered environmentally sustainable. A first delegated act establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to climate change mitigation or climate change adaptation and for determining whether that economic activity causes no significant harm to any of the other environmental objectives was published on 21 April 2021. Further development of the EU taxonomy will take place via a new Platform on Sustainable Finance, which is expected to be operating in the next months. No assurance is or can be given to investors that any asset from the Green Asset Pool will meet any or all investor expectations regarding such objectives or that any adverse environmental, social and/or other impacts will not occur during the implementation of any asset from the Green Asset Pool.

No assurance or representation is given as to the suitability or reliability for any purpose whatsoever of the second party opinion provided by DNV-GL (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 asset from the Green Asset Pool to fulfil any environmental, sustainability, 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. 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.</p> <p>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 Registrar 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 newbuilds, 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 Korian Universal Registraton 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^o. 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, including, but not limited to, the value of the reference rate, its volatility, market interest and yield rates. 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 and of any applicable reference rate depend 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 or the reference rate 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, and the value of any applicable reference rate, as well as other factors such as the complexity and volatility of the reference rate, the method of calculating the return to be paid in respect of such Notes, the outstanding amount of the Notes, any redemption features of the Notes as specified in Condition 5 (*Redemption and Purchase*) of the Terms and Conditions of the

Notes, the performance of other instruments linked to the reference rates and the level, direction and volatility of interest rates generally. Such factors also will affect the market value of the Notes. In addition, certain Notes may be designed for specific investment objectives or strategies and therefore may have a more limited secondary market and experience more price volatility than conventional debt securities.

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.

Exchange rate risk and exchange controls

The Issuer will pay principal and interest on the Notes in pounds sterling. This presents certain risks relating to currency or currency unit conversions if an investor's financial activities are denominated principally in a currency or a currency unit (the "**Investor's Currency**") other than pounds sterling. These include the risk that exchange rates may significantly change (including changes due to devaluation of the pounds sterling or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to pounds sterling would decrease (1) the Investor's Currency equivalent yield on the Notes, (2) the Investor's Currency equivalent value of the principal payable on the Notes and (3) the Investor's Currency equivalent market value of the Notes.

Government and monetary authorities have imposed from time to time, and may in the future impose, exchange controls that could adversely affect an applicable exchange rate. As a result, Noteholders may receive less interest or principal than expected, or no interest or principal. This may result in a significant loss on any capital invested from the perspective of a Noteholder whose domestic currency is not pounds sterling.

2 Risks relating to the structure of the Notes

The Notes are the lowest ranking subordinated obligations of the Issuer

In accordance with Condition 2 (*Status of the Notes*), the Issuer's obligations under the Notes are direct, unconditional, unsecured and lowest ranking subordinated obligations (*engagements subordonnés de dernier rang*) of the Issuer and rank and will rank *pari passu* among themselves. In accordance with Condition 2.2. (*Payment on the Notes in the event of the liquidation of the Issuer*), in the event of any judgment rendered by any competent court declaring the judicial liquidation (*liquidation judiciaire*) of the Issuer, or in the event of a transfer of the whole of the business of the Issuer (*cession totale de l'entreprise*) subsequent to the opening of a judicial recovery procedure, or if the Issuer is liquidated for any other reason (other than pursuant to a consolidation, amalgamation or merger or other reorganisation outside the context of an insolvency), the rights of Noteholders to payment under the Notes will be subordinated to the full payment of the unsubordinated creditors of the Issuer (including holders of Unsubordinated Notes), of the ordinary subordinated creditors of the Issuer (including holders of Ordinary Subordinated Notes), of lenders in relation to *prêts participatifs* granted to the Issuer and of holders of *titres participatifs* issued by the Issuer, if and to the extent that there is still cash available for those payments. Thus, the Noteholders face a higher recovery risk than holders of unsubordinated and ordinary subordinated obligations of the Issuer.

The claims of the Noteholders under the Notes are intended to be senior only to claims of shareholders. There are currently no instruments of the Issuer that rank junior to the Notes other than the ordinary shares of the Issuer. Thus, the Noteholders face a significantly higher performance risk than holders of unsubordinated and ordinary subordinated obligations of the Issuer which could result in (i) a loss of all or a part of a Noteholder's investment in the event of a bankruptcy and (ii) more volatility in the market price of the Notes as compared to senior obligations of the Issuer.

The Notes are undated securities

In accordance with Condition 5.1 (*Final Redemption*), the Notes are undated securities, with no specified maturity date. The Issuer is under no obligation to redeem or repurchase the Notes at any time, and the Noteholders have no right to require redemption of the Notes except, in accordance with Condition 8 (*Enforcement Events, no Events of Default and no Cross Default*), in the event that a judgment is rendered by any competent court declaring the judicial liquidation (*liquidation judiciaire*) of the Issuer, or in the event of a transfer of the whole of the business of the Issuer (*cession totale de l'entreprise*) subsequent to the opening of a judicial recovery procedure, or if the Issuer is liquidated for any other reason (other than pursuant to a consolidation, amalgamation or merger or other reorganisation outside the context of an insolvency). As the Notes do not have a fixed maturity, the Noteholders must bear the financial risks of an investment in the Notes for an indefinite period of time and may not recover their investment in a foreseeable future.

Deferral of interest payment

In accordance with Condition 4.5 (*Interest Deferral*), on any applicable Interest Payment Date, the Issuer may elect to defer payment of all or part of the interest accrued to that date, and any such failure to pay shall not constitute a default by the Issuer for any purpose. Any interest in respect of the Notes not paid on an applicable Interest Payment Date will, so long as the same remains outstanding, be deferred and shall constitute Arrears of Interest and, if due for at least a year, bear interest, and may be payable in whole or in part as outlined in Condition 4.5 (*Interest Deferral*) of the Terms and Conditions of the Notes.

Arrears of Interest (together with any Additional Interest Amount) in respect of all Notes for the time being outstanding shall become due and payable in whole, but not in part, on whichever is the earliest of:

- (i) ten (10) Business Days following the occurrence of a Mandatory Payment Event;
- (ii) the next scheduled Interest Payment Date in respect of which the Issuer does not elect to defer all of the interest accrued in respect of the relevant Interest Period;
- (iii) the date on which the Notes are redeemed; or
- (iv) the date upon which a judgment is made for the voluntary or judicial liquidation of the Issuer (*liquidation judiciaire* or *liquidation amiable*) as contemplated under Condition 8 or the sale of the whole of the business (*cession totale de l'entreprise*) of the Issuer or if the Issuer is liquidated for any other reason (other than pursuant to a consolidation, amalgamation or merger or other reorganisation outside the context of an insolvency).

Any deferral of interest payments or the perception that the Issuer will need to exercise its optional deferral right would have a significant adverse effect on the market price of the Notes. In addition, as a result of the interest deferral provisions of the Notes, the market value of the Notes may be more volatile than the market prices of other debt securities on which interest accrues that are not subject to the above provisions and may be more sensitive generally to adverse changes in the Issuer's financial condition, and therefore, investors may lose all or part of their investment. As a result, the value of the Notes or liquidity on the secondary market may be materially and negatively affected.

Early Redemption Risk

In accordance with the provisions of the Condition 5 (*Redemption and Purchase*), the Issuer may redeem all of the Notes (but not some only) (i) at any time (other than (x) during the period from and including the date falling three (3) months prior to the First Reset Date (15 March 2024) to and including the First Reset Date or (y) on any subsequent Interest Payment Date) (see Condition 5.3 (*Make-whole Redemption by the Issuer*)), (ii) on any date during the period commencing on (and including) the date falling three (3) months prior to the First Reset Date (15 March 2024) and ending on (and including) the First Reset Date, or upon any Interest Payment Date thereafter (see Condition

5.2 (*Optional Redemption*)), and (iii) at any time, following the occurrence of a Gross-Up Event (see Condition 5.4 (*Redemption for Taxation Reasons*)), a Withholding Tax Event (see Condition 5.4 (*Redemption for Taxation Reasons*)), a Tax Deductibility Event (see Condition 5.4 (*Redemption for Taxation Reasons*)), an Accounting Event (see Condition 5.5 (*Redemption following an Accounting Event*)), a Change of Control (see Condition 5.6 (*Redemption following a Change of Control*)) or a Repurchase Event (see Condition 5.7 (*Purchases*)).

The redemption at the option of the Issuer or the perception that the Issuer will exercise its optional redemption right might negatively affect the market value of the Notes. During any period when the Issuer may, or may be perceived to be able to, elect to redeem the Notes, the market value of the Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to the First Reset Date. Since the Issuer may also be expected to redeem the Notes when its cost of borrowing is lower than the interest rate on the Notes, Noteholders might not be able to reinvest the redemption proceeds at an effective interest rate as high as the return that would have been received on such Notes had they not been redeemed.

In June 2018, the IASB (International Accounting Standards Board) published the discussion paper DP/2018/1 on “Financial Instruments with Characteristics of Equity”, (the “**DP/2018/1 Paper**”). The Discussion Paper was open for comment until 7 January 2019. The IASB Board met on 21-23 April 2020 to discuss the direction of the project. Any final rules implemented as a result of the DP/2018/1 Paper may determine the timing and the manner of implementation of such rules and may in turn impact the earliest timing when the Accounting Event may occur (which could be earlier than the last day of application of the current IFRS rules) which may result in materialisation of the Risk Factor entitled “*The current IFRS accounting classification of financial instruments such as the Notes as equity instruments may change, which may result in the occurrence of an Accounting Event*” below, and lead to an early redemption of the Notes.

The Issuer is not required to redeem the Notes in the case of a Withholding Tax Event

There is uncertainty as to whether gross-up obligations are legal or enforceable under French law. If gross-up obligations under the Notes are held to be illegal or unenforceable under French law, the Issuer will have the right, but not the obligation, to redeem the Notes. Accordingly, if the Issuer does not redeem the Notes upon the occurrence of a Withholding Tax Event (as defined in Condition 5.4 (*Redemption for Taxation Reasons*) of the Terms and Conditions of the Notes), holders of Notes may receive less than the full amount due, and the market value of such Notes will be materially adversely affected.

There are no events of default or cross default under the Notes

Condition 8 (*Enforcement Events, no Events of Default and no Cross Default*) provides that there are no events of default or cross default allowing acceleration of the Notes if certain events occur. As a result, if the Issuer fails to meet any obligations under the Notes, including the payment of any interest, Noteholders will not have the right of acceleration of principal. Upon a payment default, the sole remedy available to Noteholders for recovery of amounts owing in respect of any payment of principal or interest on the Notes will be the institution of proceedings to enforce such payment. Notwithstanding the foregoing, the Issuer will not, by virtue of the institution of any such proceedings, be obliged to pay any sum or sums sooner than the same would otherwise have been payable by it, and therefore, investors may lose all or part of their investment. As a result, the value of the Notes or liquidity on the secondary market may be negatively affected.

No limitation on issuing or guaranteeing debt ranking senior to, or pari passu with, the Notes

There is no restriction under the Terms and Conditions of the Notes on the amount of debt which the Issuer may issue or guarantee, as there is no clause of limitation of indebtedness nor, as per Condition 3 (*Negative Pledge*), a negative pledge. The Issuer and its subsidiaries and affiliates may incur additional indebtedness or grant guarantees in respect of indebtedness of third parties, including indebtedness or guarantees that rank *pari passu* with, or senior to, the obligations under and in

connection with the Notes. If the Issuer's financial condition were to deteriorate, the Noteholders could suffer direct and materially adverse consequences, including loss of interest and, if the Issuer were liquidated (whether voluntarily or not), the Noteholders could suffer loss of their entire investment.

The current IFRS accounting classification of financial instruments such as the Notes as equity instruments may change, which may result in the occurrence of an Accounting Event

In June 2018, the IASB (International Accounting Standards Board) published the DP/2018/1 Paper. While the final timing and outcome are uncertain, if the proposals set out in the DP/2018/1 Paper are implemented, the current IFRS accounting classification of financial instruments such as the Notes as equity instruments may change and this may result in the occurrence of an Accounting Event. In such an event, the Issuer may have the option to redeem, in whole but not in part, the Notes (pursuant to Condition 5.5 (*Redemption following an Accounting Event*)). The implementation of any of the proposals set out in the DP/2018/1 Paper or any other similar such proposals that may be made in the future, including the extent and timing of any such implementation, if at all, is still uncertain. Accordingly, the future classification of the Notes may vary from an accounting perspective or whether any such change may result in the occurrence of an Accounting Event, thereby providing the Issuer with the option to redeem the Notes pursuant to the Terms and Conditions of the Notes. The redemption of the Notes by the Issuer or the perception that the Issuer will exercise its optional redemption right might negatively affect the market value of the Notes. During any period when the Issuer may elect to redeem the Notes, the market value of the Notes generally will not rise substantially above the price at which they can be redeemed.

For a description of the risks related to the early redemption of the Notes, see the Risk Factor entitled "*Early Redemption Risk*".

The Terms and Conditions of the Notes contain a prohibition of set-off

In accordance with Condition 2.3 (*Prohibition of set-off*), no Noteholder may exercise, claim or plead any right of set-off, compensation or retention in respect of any amount owed to it by the Issuer in respect of, or arising under or in connection with the Notes and each Noteholder will be deemed to have waived all such rights of set-off, compensation or retention, subject to applicable law. As a result, a Noteholder which is also a debtor of the Issuer cannot set-off its payment obligation against any sum due to it by the Issuer under the Notes. This prohibition of set-off could therefore have an adverse impact on the counterparty risk for a Noteholder in the event that the Issuer were to become insolvent.

Reset Rate linked to the gross redemption yield of the Reset Benchmark Gilt

From and including the First Reset Date to but excluding the date on which the Issuer redeems the Notes, the Notes bear interest at a rate *per annum* which shall be equal to the relevant Reset Interest Rate for each Reset Period. The Reset Interest Rate is linked to the then prevailing gross redemption yield of the Reset Benchmark Gilt (as defined in Condition 4 (*Interest*) of the Terms and Conditions of the Notes) plus the Reset Margin (as defined in Condition 4 (*Interest*) of the Terms and Conditions of the Notes) for each Reset Period (as defined in Condition 4 (*Interest*) of the Terms and Conditions of the Notes), subject to a minimum of zero (0) per cent. *per annum*.

The performance of the gross redemption yield of the Reset Benchmark Gilt and the interest income on the Notes cannot be anticipated and neither the current nor the historical level of the gross redemption yield of the Reset Benchmark Gilt is an indication of the future development of the gross redemption yield of the Reset Benchmark Gilt. Due to varying interest income, Noteholders are not able to determine a definite yield of the Notes at the time they purchase them, so that their return on investment cannot be compared with that of investments having longer fixed interest periods. In addition, after interest payment dates, Noteholders are exposed to the reinvestment risk if market interest rates decline. That is, Noteholders may reinvest the interest income paid to them only at the relevant lower interest rates then prevailing.

Furthermore, it cannot be ruled out that the price of the Notes may fall as a result of changes in the Market Interest Rate, as the Market Interest Rate fluctuates. The Noteholder is exposed to the risk “*Fixed Interest Rate Notes*” described above.

Risk Relating to the Change in the Rate of Interest

In respect of the Notes, in accordance with the provisions of Condition 4 (*Interest*), the Interest Rate will be reset as from the First Reset Date. Such Interest Rate will be determined two (2) Business Days before the first day of the relevant Reset Period and as such is not pre-defined at the date of issue of the Notes; it may be different from the initial Interest Rate, which may adversely affect the yield of 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 Notes in the secondary market.

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, French insolvency laws apply to the Issuer. Under French insolvency law, in the case of the opening in France of an accelerated preservation (*procédure de sauvegarde accélérée*) or an accelerated financial preservation (*procédure de sauvegarde financière accélérée*) or a preservation (*procédure de sauvegarde*) or a judicial reorganisation procedure (*procédure de redressement judiciaire*) of the Issuer, all creditors of the Issuer (including Noteholders) must file their proof of claims with the creditors’ representative or liquidator, as the case may be, within two months (or within four months in the case of creditors domiciled outside metropolitan France) of the publication of the opening of the procedure against the Issuer in the BODACC (*Bulletin officiel des annonces civiles et commerciales*). In addition, Condition 9 (*Representation of the Noteholders*) of the Terms and Conditions of the Notes contain a provision allowing the Noteholders to appoint a nominee in the event of judicial reorganisation procedure or judicial liquidation (*liquidation judiciaire*) of the Issuer to represent their common interest and, failing such appointment, the judicial representative (*mandataire judiciaire*) will ask the court to appoint a representative of the Noteholders who will file the proof of Noteholders’ claim.

Under French insolvency law, holders of debt securities (such as the Notes) issued by a French company (as the Issuer) are automatically grouped into a single assembly of holders (the “**Assembly**”) in order to defend their common interests if a preservation (*procédure de sauvegarde*), an accelerated financial preservation (*procédure de sauvegarde financière accélérée*), a judicial reorganisation procedure (*procédure de redressement judiciaire*) or an accelerated preservation (*procédure de sauvegarde accélérée*) is opened in France with respect to the Issuer.

The Assembly comprises holders of all debt securities issued by the Issuer (including the Notes) regardless of their governing law.

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

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

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

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 they 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 proceedings.

The insolvency procedure in France is regulated by the provisions of the French *Code de commerce* as amended by ordinance n°2014-326 dated 12 March 2014 and these provisions govern the common rights, interests and representation of the Noteholders in this context. As a result, Noteholders should be aware that they will generally have limited ability to influence the outcome of an accelerated preservation (*procédure de sauvegarde accélérée*), an accelerated financial preservation (*procédure de sauvegarde financière accélérée*), a preservation (*procédure de sauvegarde*) or a judicial reorganisation procedure (*procédure de redressement judiciaire*) of the Issuer in France.

In addition, Noteholders should be aware that the receiver (*administrateur judiciaire*) is allowed to take into account the existence of voting or subordination agreements entered into by a holder of notes, or the existence of an arrangement providing that a third party will pay the holder's claims, in full or in part, in order to reduce such holder's voting rights within the Assembly. The receiver must disclose the method to compute such voting rights and the interested holder may dispute such computation before the president of the competent commercial court. These provisions could apply to a Noteholder who has entered into a hedging arrangement in relation to the Notes.

It should be noted that Directive (EU) 2019/1023 on preventive restructuring frameworks, on discharge of debt and disqualifications, and on measures to increase the efficiency of procedures concerning restructuring, insolvency and discharge of debt and amending Directive (EU) 2017/1132 dated 20 June 2019 (the “**Restructuring Directive**”) shall be transposed by the Member States before 17 July 2021. Depending on how it will be transposed into French law, it may modify French insolvency law described above and impact the situation of Noteholders in the event that the Issuer or its Subsidiaries were to be subject to the relevant French insolvency proceedings.

The commencement of insolvency proceedings against the Issuer would have a material adverse effect on the market value of Notes issued by the Issuer. Any decisions taken by the Assembly 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 refinance, in whole or in part, a selected pool of new and existing assets that promote the transition to low-carbon and climate resilient growth, as described in the “Use of Proceeds” section of this Offering Memorandum and further described in the Issuer’s green bond framework (as amended and supplemented from time to time) (the “**Green Bond Framework**”) available on the Issuer’s website (<https://www.korian.com>).

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 assets from the Green Asset Pool 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 assets from the Green Asset Pool. The assets from the Green Asset Pool 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 or a default of the Issuer for any purpose.

Any such event or failure and/or withdrawal of the Second Party Opinion or any such other opinion or certification may have a material adverse effect on the value and marketability of the Notes and/or result in adverse consequences for Noteholders with portfolio mandates to invest in securities to be used for a particular purpose.

GENERAL DESCRIPTION OF THE NOTES

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

Issuer	Korian
Legal Entity Identifier (LEI)	969500WEPS61H6TJM037
Securities	£200,000,000 Undated Non-Call 3 Years Deeply Subordinated Fixed Rate Resettable Notes (the “Notes”).
Maturity	Undated.
Sole Bookrunner and Structuring Adviser	Morgan Stanley Europe SE
Form and Denomination	The Notes will be issued in dematerialised bearer form (<i>au porteur</i>) in the denomination of £100,000.
Issue Date	15 June 2021
Status / Ranking	<p>The Notes are deeply subordinated notes (“Deeply Subordinated Notes”) issued pursuant to the provisions of Article L.228-97 of the French <i>Code de commerce</i>. The principal and interest and other amounts (including Arrears of Interest and/or Additional Interest Amounts) of the Notes constitute direct, unconditional, unsecured and lowest ranking subordinated obligations (<i>engagements subordonnés de dernier rang</i>) of the Issuer and rank and will rank <i>pari passu</i> among themselves and (save for certain obligations required to be preferred by French law) equally and rateably with all other present or future Deeply Subordinated Notes, but subordinated to the <i>titres participatifs</i> issued by, and the <i>prêts participatifs</i> granted to, the Issuer, and to Ordinary Subordinated Notes and Unsubordinated Notes of the Issuer.</p> <p>“Ordinary Subordinated Notes” means notes, the principal and interest of which constitute direct, unconditional, unsecured and subordinated obligations of the Issuer and rank and will rank <i>pari passu</i> among themselves and (save for certain obligations required to be preferred by French law) <i>pari passu</i> with all other present or future Ordinary Subordinated Notes, behind Unsubordinated Notes but in priority to the <i>prêts participatifs</i> granted to, and the <i>titres participatifs</i> issued by the Issuer and to Deeply Subordinated Notes.</p> <p>“Unsubordinated Notes” means notes, the principal and interest of which are unconditional, unsubordinated and unsecured obligations of the Issuer and rank and will rank <i>pari passu</i> without preference or priority among themselves and (save for certain obligations required to be preferred by French law) equally and rateably with all other present or future unsecured and unsubordinated indebtedness, obligations and guarantees of the Issuer.</p>
Interest	<p>The Notes shall bear interest on their principal amount:</p> <ul style="list-style-type: none">• from and including the Issue Date to, but excluding, the Interest Payment Date falling on 15 June 2024 (the “First Reset Date”), at a rate of 4.125 per cent. <i>per annum</i>;• from and including the First Reset Date to but excluding the final redemption of the Notes, at a rate (the “Reset Interest Rate”)

per annum equal to the Reference Rate plus the Reset Margin for each Reset Period subject to a minimum of zero (0) per cent. *per annum*,

in each case subject to any applicable Step-Up Margin (as defined below);

each Interest Amount shall be payable annually in arrear on 15 June of each year commencing on 15 June 2022 (each an “**Interest Payment Date**”).

If the Issuer does not elect to redeem the Notes following a Change of Control (as defined herein), the then prevailing rate of interest (and all subsequent rates of interest (if any)) in respect of the Notes shall be increased by an additional margin of 5.00 per cent. *per annum* (the “**Step-Up Margin**”) with effect the earlier of (i) the date of the Change of Control Notice (as defined herein) or (ii) the thirtieth (30th) calendar day following the effective Change of Control, to (but excluding) the final redemption of the Notes.

Interest Deferral

Optional Interest Payment

Interest which accrues during an Interest Period ending on but excluding an Interest Payment Date will be due on that Interest Payment Date unless the Issuer elects, in its sole discretion, to defer such payment in whole or in part, and the Issuer shall not have any obligation to make such payment and any failure to so pay shall not constitute a default by the Issuer under the Notes or for any other purpose.

Any interest in respect of the Notes which has been deferred on an Interest Payment Date shall constitute “**Arrears of Interest**”.

Payment of Arrears of Interest

Arrears of Interest (together with any Additional Interest Amount (as defined below)) may at the option of the Issuer be paid in whole or in part at any time, provided that all Arrears of Interest (together with the corresponding Additional Interest Amounts) in respect of all Notes for the time being outstanding shall become due and payable in whole, but not in part, on whichever is the earliest of:

- (i) ten (10) Business Days following the occurrence of a Mandatory Payment Event;
- (ii) the next scheduled Interest Payment Date in respect of which the Issuer does not elect to defer all of the interest accrued in respect of the relevant Interest Period;
- (iii) the date on which the Notes are redeemed; or
- (iv) the date upon which a judgment is made for the voluntary or judicial liquidation of the Issuer (*liquidation judiciaire* or liquidation amiable) or the sale of the whole of the business (*cession totale de l'entreprise*) of the Issuer or if the Issuer is liquidated for any other reason (other than pursuant to a consolidation, amalgamation or merger or other reorganisation outside the context of an insolvency).

Each amount of Arrears of Interest shall bear interest, in accordance with Article 1343-2 of the French *Code civil*, as if it constituted the principal of the

Notes at a rate which corresponds to the rate of interest from time to time applicable to the Notes (the “**Arrears Interest Rate**”) and the amount of such interest (the “**Additional Interest Amount**”) with respect to Arrears of Interest shall be due and payable pursuant to this paragraph and shall be calculated by the Calculation Agent applying the Arrears Interest Rate to the amount of the Arrears of Interest and otherwise *mutatis mutandis* as provided in the Terms and Conditions of the Notes.

The Additional Interest Amount accrued up to any Interest Payment Date shall be added in accordance with Article 1343-2 of the French *Code civil* to the amount of Arrears of Interest remaining unpaid on such Interest Payment Date so that it will itself become Arrears of Interest for the purpose only of calculating the Additional Interest Amount accruing thereafter.

Optional Partial Payment of Arrears of Interest and Additional Interest Amounts:

If amounts in respect of Arrears of Interest and Additional Interest Amounts are paid in part:

- (i) all unpaid amounts of Arrears of Interest shall be payable before any Additional Interest Amounts;
- (ii) Arrears of Interest accrued for any period shall not be payable until full payment has been made of all Arrears of Interest that have accrued during any earlier period and the order of payment of Additional Interest Amounts shall follow that of the Arrears of Interest to which they relate; and
- (iii) the amount of Arrears of Interest or Additional Interest Amounts payable in respect of any of the Notes in respect of any period, shall be pro rata to the total amount of all unpaid Arrears of Interest or, as the case may be, Additional Interest Amounts accrued on the Notes in respect of that period to the date of payment.

For the purpose hereof:

“**Equity Securities**” means (a) the ordinary shares (*actions ordinaires*) of the Issuer and (b) any other class of the Issuer’s share capital (including preference shares (*actions de préférence*)).

A “**Mandatory Payment Event**” means that:

- (i) a dividend, other distribution or payment of any nature was validly declared, paid or made in respect of any Equity Securities or any Parity Securities of the Issuer; or
- (ii) the Issuer has repurchased, redeemed, or otherwise acquired any Equity Securities or any Parity Securities of the Issuer other than, with respect to Equity Securities, in connection with the satisfaction by the Issuer of its obligations under any buy-back programme, employee shareholding programmes (including any share purchase option plan), or free share allocation plan reserved for directors, officers and/or employees of the Issuer’s group, shares sold to employees through the Issuer savings funds, liquidity agreement (*programme de liquidité*) or any associated hedging transaction;

save for, in each case, any compulsory dividend, other distribution, payment, repurchase, redemption or other acquisition required by the terms of such securities; and in the case of Parity Securities, any repurchase or other acquisition that was made below par.

“**Parity Securities**” means, at any time, any Deeply Subordinated Notes and any securities which rank *pari passu* with the Notes. The term Parity Securities shall apply *mutatis mutandis* to any instruments issued by any Subsidiary of the Issuer, where relevant, provided that each such instrument shall qualify as Parity Securities only to the extent such instrument is guaranteed by the Issuer or the Issuer otherwise assumes liability for it, and the Issuer’s obligations under the relevant guarantee or other assumption of liability rank *pari passu* with the Issuer’s obligations under Parity Securities.

“**Subsidiary**” means any fully consolidated subsidiary (as defined in Article L.233-1 of the French *Code de commerce*) of the Issuer.

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.

Additional Amounts

If French law should require that payments of principal, interest or other assimilated revenues made by the Issuer in respect of any Note 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 in certain circumstances as more fully described in the Terms and Conditions of the Notes.

Final Redemption

Subject to any early redemption described below, the Notes are undated securities with no specified maturity date.

Optional Redemption at the option of the Issuer

The Issuer will have the right to redeem all of the Notes (but not some only) on any date during the period commencing on (and including) the date (the “**First Call Date**”) falling three (3) months prior to the First Reset Date (15 March 2024) and ending on (and including) the First Reset Date or upon any Interest Payment Date thereafter. Such early redemption of the Notes will be made at their principal amount together with any accrued interest and Arrears of Interest (including any Additional Interest Amounts thereon).

Make-whole Redemption at the option of the Issuer

The Issuer will have the right to redeem all of the Notes (but not some only) at any time prior to the First Call Date at the Make-whole Redemption Amount.

Early Redemption following a Gross-Up Event

If, by reason of a change in French law or regulation, or any change in the official application or interpretation of such law, becoming effective after the Issue Date, the Issuer would on the occasion of the next payment due in respect of the Notes, not be able to make such payment without having to pay Additional Amounts (a “**Gross-Up Event**”), the Issuer may at any time, redeem all of the Notes (but not some only) at their principal amount together with any accrued interest and any

Arrears of Interest (including any Additional Interest Amounts thereon) provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the latest practicable Interest Payment Date on which the Issuer could make payment of principal and interest without withholding or deduction for French taxes.

Early Redemption following a Withholding Tax Event

If the Issuer would on the occasion of the next payment in respect of the Notes be prevented by French law from making payment to the Noteholders of the full amount then due and payable (a “**Withholding Tax Event**”), notwithstanding the undertaking to pay Additional Amounts, then the Issuer may at any time redeem all of the Notes (but not some only) at their principal amount together with any accrued interest and any Arrears of Interest (including any Additional Interest Amounts thereon) on the latest practicable date on which the Issuer could make payment of the full amount payable in respect of the Notes without withholding or deduction for French taxes, or, if such date is past, as soon as practicable thereafter.

Early Redemption following a Tax Deductibility Event

If, an opinion of a recognised law firm of international standing has been delivered to the Issuer and the Fiscal Agent, stating that by reason of a change in French law or regulation, or any change in the official application or interpretation of such law, becoming effective after the Issue Date, the tax regime of any payments under the Notes is modified and such modification results in the part of the interest payable by the Issuer in respect of the Notes that is tax-deductible being reduced (a “**Tax Deductibility Event**”), the Issuer may, at its option, at any time redeem all of the Notes (but not some only) at (i) the Early Redemption Price (as defined below) where such redemption occurs before the First Reset Date, or (ii) at their principal amount together with any accrued interest and any Arrears of Interest (including any Additional Interest Amounts thereon) where such redemption occurs on or after the First Reset Date, provided that the effective date of redemption of which notice hereunder may be given shall be no earlier than the latest practicable date preceding the effective date on which the tax regime of interest payments under the Notes is modified.

Early Redemption following an Accounting Event

If an Accounting Event shall occur after the Issue Date, the Issuer may at its option redeem all the Notes (but not some only) at any time, at (i) the Early Redemption Price (as defined below) where such redemption occurs before the First Reset Date, or (ii) at their principal amount together with any accrued interest and any Arrears of Interest (including any Additional Interest Amounts thereon) where such redemption occurs on or after the First Reset Date.

“**Accounting Event**” means that an opinion of a recognised accountancy firm of international standing, acting upon instructions of the Issuer, has been delivered to the Issuer and the Fiscal Agent, stating that the funds raised through the issue of the Notes may not or will no longer from the implementation date of the relevant new International Financial Reporting Standards (“**IFRS**”) or any other accounting standards that may replace IFRS, be recorded as “equity” pursuant to IFRS for the purposes of the annual consolidated financial statements of the Issuer.

The period during which the Issuer may notify the redemption of the Notes as a result of the occurrence of an Accounting Event shall start on, and include, the earlier of such dates on which the change in the relevant new IFRS rules is officially announced by the IFRS-IASB board or equivalent board of IFRS-EU or officially adopted or put into practice (the “**Accounting Event Adoption Date**”). The Accounting Event shall be deemed to have occurred on the Accounting Event Adoption Date notwithstanding any later effective date. For

	<p>the avoidance of doubt such period shall include any transitional period between the Accounting Event Adoption Date and the date on which it comes into effect.</p>
Early Redemption following a Change of Control	<p>In the event of a Change of Control, the Issuer may redeem, or procure purchase of, all, but not some only, of the Notes on the Change of Control Call Date, at their principal amount together with any accrued interest and any Arrears of Interest (including any Additional Interest Amounts thereon).</p> <p>In the event of a Change of Control, the Issuer will inform the Noteholders, no later than thirty (30) calendar days following the effective Change of Control in accordance with Condition 10 (a “Change of Control Notice”) specifying the circumstances giving rise to it and either (i) the date on which redemption or purchase of the Notes (the “Change of Control Call Date”) will take place or, as the case may be, (ii) the Issuer’s election not to redeem, or procure purchase of, the Notes.</p> <p>If the Issuer elects to redeem, or to procure purchase of, the Notes, such redemption or purchase will take place not less than thirty (30), nor more than forty-five (45) calendar days after a Change of Control Notice is given.</p> <p>“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.</p> <p>For the purpose of this Condition "acting in concert" has the meaning given in Article L.233-10 of the French <i>Code de commerce</i> and "control" has the meaning given in Article L.233-3 of the French <i>Code de commerce</i>.</p>
Early Redemption Price	<p>“Early Redemption Price” means 101 per cent. of the principal amount of the Notes, together with any accrued interest and any Arrears of Interest (including any Additional Interest Amounts thereon) up to the Early Redemption Date of the Notes.</p> <p>“Early Redemption Date” means the effective date of redemption of the Notes made in accordance with this Condition.</p>
Purchase and Redemption following a Repurchase Event	<p>The Issuer may at any time purchase Notes together with rights to interest and any other amounts relating thereto in the open market or otherwise at any price subject to applicable laws and regulations.</p> <p>In the event that at least eighty (80) per cent. of the initial aggregate principal amount of the Notes has been purchased by the Issuer (a “Repurchase Event”), the Issuer may, at its option, at any time, redeem all of the outstanding Notes (but not some only) at their principal amount together with any accrued interest and any Arrears of Interest (including any Additional Interest Amounts thereon).</p>
Prohibition of set-off	<p>Subject to applicable law, no Noteholder may exercise, claim or plead any right of set-off, compensation or retention in respect of any amount owed to it by the Issuer in respect of, or arising under or in connection with the Notes and each Noteholder shall, by virtue of its holding of any Note, be deemed to have waived all such rights of set-off, compensation or retention.</p>
No Negative Pledge	<p>There will be no negative pledge in respect of the Notes.</p>

Enforcement Events, no Events of Default and no Cross Default	<p>There will be no events of default in respect of the Notes. There will be no cross default under the Notes.</p> <p>However, each Note shall become immediately due and payable at its principal amount, together with accrued interest thereon, if any, to the date of payment and any Arrears of Interest (including any Additional Interest Amounts thereon), in the event that a judgement is rendered by any competent court declaring the judicial liquidation (<i>liquidation judiciaire</i>) of the Issuer, or in the event of a transfer of the whole of the business of the Issuer (<i>cession totale de l'entreprise</i>) subsequent to the opening of a judicial recovery procedure, or if the Issuer is liquidated for any other reason (other than pursuant to a consolidation, amalgamation or merger or other reorganisation outside the context of an insolvency). No payments will be made to holders of any class of the share capital of the Issuer before all amounts due, but unpaid, to all Noteholders have been paid by the Issuer.</p>
Representation of the Noteholders	The Noteholders will be grouped automatically for the defence of their common interests in a single <i>masse</i> (hereinafter referred to as the “ <i>Masse</i> ”). The <i>Masse</i> will be a separate legal entity, and will be acting in part through one representative and in part through a general meeting of the Noteholders.
Listing	Application will be made to list the Notes on the Official List of Euronext Dublin and to trading on the Global Exchange Market.
Selling Restrictions	There are restrictions on the offer and sale of the Notes and the distribution of offering material, including in the United States of America, the United Kingdom, the European Economic Area and Singapore.
Use of Proceeds	The net proceeds of the issuance of the Notes will amount to £194,810,000 and shall be allocated to finance or refinance the Green Asset Pool, as defined and described in “Use of Proceeds”.
Governing law	The Notes will be governed by, and construed in accordance with, French law.
Settlement	Euroclear France.
Fiscal Agent and Principal Paying Agent	CACEIS Corporate Trust.
Calculation Agent	Conv-Ex Advisors Limited
Listing Agent	Arthur Cox Listing Services Limited

DOCUMENTS INCORPORATED BY REFERENCE

This Offering Memorandum should be read and construed in conjunction with the documents referred to in (1) and (2) 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; and

- (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**”

https://www.korian.com/sites/default/files/documents/Korian_URD%20VA_2019_Site%20Web.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 £200,000,000 Undated Non-Call 3 Years Deeply Subordinated Fixed Rate Resettable Notes (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 4 May 2021 and a decision of the Chief Executive Officer (*Directrice Générale*) of the Issuer dated 8 June 2021. The Issuer will enter into a fiscal agency agreement (the “**Agency Agreement**”) on or prior to 11 June 2021 with CACEIS Corporate Trust as fiscal agent, principal paying agent. The fiscal agent and principal paying agent and the paying agent for the time being are respectively referred to in these Conditions as the “**Fiscal Agent**”, the “**Principal Paying Agent**”, and the “**Paying Agent**” (which expression shall include the Principal Paying 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 has also entered into a calculation agency agreement (the “**Calculation Agency Agreement**”) with Conv-Ex Advisors Limited as calculation agent. The calculation agent for the time being is referred to in these Conditions as the “**Calculation Agent**”, which expression shall include any successor acting from time to time in such capacity under the Calculation Agency Agreement. Copies of the Agency Agreement and the Calculation Agency Agreement are available for inspection at the specified offices of the Paying Agent and the 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 June 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 and R.211-1 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

2.1 Deeply Subordinated Notes

The Notes are deeply subordinated notes (“**Deeply Subordinated Notes**”) issued pursuant to the provisions of Article L.228-97 of the French *Code de commerce*.

The principal and interest and other amounts (including Arrears of Interest (as defined below) and/or Additional Interest Amounts (as defined below)) of the Notes constitute direct, unconditional, unsecured and lowest ranking subordinated obligations (*engagements subordonnés de dernier rang*) of the Issuer and rank and will rank *pari passu* among themselves and (save for certain obligations required to be preferred by French law) equally and rateably with all other present or future Deeply Subordinated Notes, but subordinated to the *titres participatifs* issued by, and the *prêts participatifs* granted to, the Issuer, and to Ordinary Subordinated Notes and Unsubordinated Notes of the Issuer.

“**Ordinary Subordinated Notes**” means notes, the principal and interest of which constitute direct, unconditional, unsecured and subordinated obligations of the Issuer and rank and will rank *pari passu* among themselves and (save for certain obligations required to be preferred by French law) *pari passu* with all other present or future Ordinary Subordinated Notes, behind Unsubordinated Notes but in priority to the *prêts participatifs* granted to, and the *titres participatifs* issued by the Issuer and to Deeply Subordinated Notes.

“**Unsubordinated Notes**” means notes, the principal and interest of which are unconditional, unsubordinated and unsecured obligations of the Issuer and rank and will rank *pari passu* without preference or priority among themselves and (save for certain obligations required to be preferred by French law) equally and rateably with all other present or future unsecured and unsubordinated indebtedness, obligations and guarantees of the Issuer.

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

If any judgment is rendered by any competent court declaring the judicial liquidation (*liquidation judiciaire*) of the Issuer, or in the event of a transfer of the whole of the business of the Issuer (*cession totale de l'entreprise*) subsequent to the opening of a judicial recovery procedure (*redressement judiciaire*), or in the event of the voluntary dissolution of the Issuer or if the Issuer is liquidated for any other reason (other than pursuant to a consolidation, amalgamation or merger or other reorganisation outside the context of an insolvency), the payments of the creditors of the Issuer shall be made in the following order of priority (in each case subject to the payment in full of priority creditors):

- unsubordinated creditors of the Issuer (including holders of Unsubordinated Notes);
- ordinary subordinated creditors of the Issuer (including holders of Ordinary Subordinated Notes);
- lenders in relation to *prêts participatifs* granted to the Issuer;
- holders of *titres participatifs* issued by the Issuer; and
- deeply subordinated creditors of the Issuer (including holders of Deeply Subordinated Notes).

In the event of liquidation of the Issuer, the Notes shall rank in priority to any payments to holders of Equity Securities.

“**Equity Securities**” means (a) the ordinary shares (*actions ordinaires*) of the Issuer and (b) any other class of the Issuer’s share capital (including preference shares (*actions de préférence*)).

In the event of incomplete payment of unsubordinated creditors, the obligations of the Issuer in connection with any present or future Deeply Subordinated Notes (including the Notes) shall be terminated. The holders of Deeply Subordinated Notes (including the Notes) shall take all steps necessary for the orderly accomplishment of any collective proceedings or voluntary liquidation.

2.3 Prohibition of set-off

Subject to applicable law, no Noteholder may exercise, claim or plead any right of set-off, compensation or retention in respect of any amount owed to it by the Issuer in respect of, or arising under or in connection with the Notes and each Noteholder shall, by virtue of its holding of any Note, be deemed to have waived all such rights of set-off, compensation or retention.

3 Negative Pledge

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

4 Interest

4.1 General

Unless previously redeemed in accordance with the Conditions and subject to the further provisions of this Condition (in particular, but not limited to Condition 4.6), the Notes shall bear interest (the “**Interest Rate**”) on their principal amount:

- (i) from and including the Issue Date to, but excluding, the Interest Payment Date falling on 15 June 2024 (the “**First Reset Date**”), at a rate of 4.125 per cent. *per annum*;
- (ii) from and including the First Reset Date to but excluding the final redemption of the Notes, at a rate *per annum* (the “**Reset Interest Rate**”) equal to, in respect of each Reset Period, the sum of (i) the relevant Reference Rate for such Reset Period and (ii) the Reset Margin, provided that such sum shall be subject to a minimum of zero (0) per cent. *per annum*,

in each case subject to any applicable Step-Up Margin pursuant to Condition 4.2.

Each Interest Amount (as defined in Condition 4.3 below) shall be payable annually in arrear on 15 June of each year, commencing on 15 June 2022 (each an “**Interest Payment Date**”), provided, however, that if any Interest Payment Date falls on a date which is not a Business Day, the relevant payment will be postponed to the next Business Day and no interest shall accrue nor be payable as a result of such postponement.

On each Reset Determination Date (or as soon as reasonably practicable thereafter), the Calculation Agent will determine the Reset Interest Rate and calculate the relevant Interest Amount (as defined below) per Note in respect of the Interest Period commencing on the relevant Reset Date (subject to any applicable Step-Up Margin as provided in Condition 4.2).

The Calculation Agent will cause the Reset Interest Rate and the relevant Interest Amount per Note to be notified promptly after the determination thereof to the Issuer, the Fiscal Agent and Principal Paying Agent and the Issuer will cause the same to be notified to holders of Notes (the “**Noteholders**” and each a “**Noteholder**”) in accordance with Condition 10 without undue delay, but, in any case, not later than on the fourth Business Day after the date on which the Calculation Agent makes such notification as aforesaid.

In addition, for so long as any Notes are listed on the Official List of Euronext Dublin and admitted for 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/>).

For the purpose of these Conditions:

“**Reset Benchmark Gilt**” means, for any Reset Period:

- (i) such government security issued by the United Kingdom as appears at the time of selection on Bloomberg page GC I22 (or any successor page) for a tenor of 5 years; or
- (ii) (where the Reset Benchmark Gilt is not capable of being determined as provided in (i) above) a government security or securities issued by the United Kingdom government selected by the Calculation Agent as having the nearest actual or interpolated maturity comparable with the relevant Reset Period (i.e. 5 years) and (if applicable, as determined by the Calculation Agent) that (in the opinion of the Calculation Agent) would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issuances of corporate debt securities denominated in Sterling and of a comparable maturity to the relevant Reset Period (i.e. 5 years).

“**Dealing Day**” means, in respect of the Reset Benchmark Gilt or the Reference Benchmark Security, (i) a day (other than a Saturday or a Sunday) on which the Relevant Exchange in respect of the Reset Benchmark Gilt or, as the case may be, the Reference Benchmark Security, is ordinarily open for the trading of securities or (ii) (if there is no such Relevant Exchange at the relevant time) a Business Day.

“**Relevant Exchange**” means, in respect of the Reset Benchmark Gilt or the Reference Benchmark Security, at any time, (i) the London Stock Exchange plc (or any successor thereto) or (ii) if at such time the Reset Benchmark Gilt or, as the case may be, the Reference Benchmark Security, is not listed and admitted to trading on the London Stock Exchange plc (or any successor thereto), the principal stock exchange or securities market on which the Reset Benchmark Gilt or, as the case may be, the Reference Benchmark Security is then listed and admitted to trading at such time.

“**Business Day**” means any day (other than a Saturday or a Sunday) on which commercial banks are open in London and Euroclear France is open for business.

“**Interest Period**” means each of:

- (i) the period from (and including) Issue Date to (but excluding) the first Interest Payment Date; and

- (ii) each period from (and including) an Interest Payment Date to (but excluding) the next Interest Payment Date.

“**Reset Period**” means each period beginning on (and including) a Reset Date and ending on (but excluding) the next Reset Date.

“**Reset Margin**” means 9.079 per cent. *per annum*.

“**Reference Bank**” a leading broker of gilts and/or gilt-edged market maker selected by the Issuer.

“**Reference Rate**” means, in respect of any Reset Period, the gross redemption yield (as calculated by the Calculation Agent (on an annual compounding basis) in accordance with generally accepted market practice at such time (and rounded (if necessary) to the nearest integral multiple of 0.001%, with 0.0005% being rounded upwards)) on the Reset Determination Date of the Reset Benchmark Gilt in respect of such Reset Period, with the price of such Reset Benchmark Gilt for the purpose of determining such gross redemption yield being the Reset Benchmark Gilt Price.

“**Reset Determination Date**” means, in respect of any Reset Date, the date falling two Business Days prior to such Reset Date.

“**Reset Benchmark Gilt Price**” means, in respect of any Reset Benchmark Gilt, as determined by the Calculation Agent, the average of the bid and offered prices (rounded (if necessary) to the nearest integral multiple of 0.001 per cent., with 0.0005 per cent. being rounded upwards)) for such Reset Benchmark Gilt as at 11.00 a.m. (London time) on the Reset Determination Date:

- (i) as appearing on Bloomberg page QR (using the pricing source ‘Bloomberg Generic Price’) (or any successor page or pricing source) in respect of such Reset Benchmark Gilt; or
- (ii) (if the Reset Benchmark Gilt Price is not capable of being determined as provided in (i) above) as quoted by five Reference Banks (on a dealing basis for settlement on the next following Dealing Day, or such basis as is customarily used at such time). Such quotations shall be obtained by or on behalf of the Issuer and provided to the Calculation Agent. If fewer than five, but at least two, quotations are capable of being obtained from such Reference Banks, the Reset Benchmark Gilt Price will be determined by reference to such number of quotations so obtained (rounded as provided above). If only one quotation is capable of being obtained from such Reference Banks, the Reset Benchmark Gilt Price will be equal to such quotation so obtained (rounded as provided above). If no quotation is capable of being obtained from such Reference Banks, the Reset Reference Bank Rate will be the previous Reference Rate in respect of the preceding Interest Period or (in the case of the first Interest Period) 4.125 per cent.

“**Reset Date**” means each of:

- (i) the First Reset Date; and
- (ii) each Interest Payment Date falling on each 5th anniversary of the First Reset Date.

4.2 Rate of Interest following a Change of Control

Further to the occurrence of a Change of Control (as defined in Condition 5.6 below), if the Issuer does not exercise its option to redeem the Notes in accordance with Condition 5.6, the then prevailing rate of interest (and all subsequent rates of interest (if any)) payable on the Notes will be increased by an additional margin of 5.00 per cent. *per annum* (the “**Step-Up Margin**”) with effect from (and including) the earlier of (i) the date of the Change of Control Notice (as defined in Condition 5.6 below) or (ii) the thirtieth (30th) calendar day following the effective Change of Control, to (but excluding) the final redemption of the Notes.

4.3 Calculation of Interest

The amount of interest payable in respect of any period shall be calculated per Note in the principal amount of £100,000 on an Actual/Actual (ICMA) basis (and such calculation shall be made per each Note in the principal amount of £100,000, and rounding the resulting figure per Note, if necessary, to the nearest pence (half a pence being rounded upwards)).

Subject to provisions of Condition 4.2 governing any applicable Step-Up Margin, the amount of interest (the “**Interest Amount**”) payable on each Note in the principal amount of £100,000 and on each Interest Payment Date will be the product of the principal amount of such Note and the applicable Interest Rate, multiplied by the Actual/Actual (ICMA) day count fraction and rounding the resulting figure, if necessary, to the nearest pence (half a pence being rounded upwards). For the avoidance of doubt, the Interest Amount per each Note in the principal amount of £100,000 due in respect of each Interest Period commencing prior to the First Reset Date is £4,125.

“**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.

4.4 Notifications, etc. to be final

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 4, whether by the Reference Banks (or any of them) or the Calculation Agent, will (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Calculation Agent, the Fiscal Agent and all Noteholders.

4.5 Calculation Agent

The 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 Calculation Agent shall act solely upon request of the Issuer, and the 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 Calculation Agency Agreement, (i) the Issuer reserves the right at any time to vary or terminate the appointment of the Calculation Agent and/or appoint another Calculation Agent, provided that there will at all times be a Calculation Agent, and (ii) the Calculation Agent may not resign its duties or be removed without a successor having been appointed.

Notice of any change of 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. 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, be posted on the official website of Euronext Dublin (<https://live.euronext.com/>).

4.6 Interest Deferral

(a) *Optional Interest Payment*

Interest which accrues during an Interest Period ending on but excluding an Interest Payment Date will be due on that Interest Payment Date unless the Issuer, by giving notice to the Noteholders in accordance with sub-paragraph (d) below, elects to defer such payment in whole or in part, and the Issuer shall not have any obligation to make such payment and any failure to pay shall not constitute a default by the Issuer under the Notes or for any other purpose.

Any interest in respect of the Notes which has not been paid in accordance with this paragraph will be deferred and shall constitute “**Arrears of Interest**” and shall be payable as outlined below.

(b) *Payment of Arrears of Interest*

Arrears of Interest (together with any Additional Interest Amount (as defined below)) may at the option of the Issuer be paid in whole or in part at any time, provided that all Arrears of Interest (together with the corresponding Additional Interest Amounts) in respect of all Notes for the time being outstanding shall become due and payable in whole, but not in part, on whichever is the earliest of:

- (i) ten (10) Business Days following the occurrence of a Mandatory Payment Event;
- (ii) the next scheduled Interest Payment Date in respect of which the Issuer does not elect to defer all of the interest accrued in respect of the relevant Interest Period;
- (iii) the date on which the Notes are redeemed; or
- (iv) the date upon which a judgment is made for the voluntary or judicial liquidation of the Issuer (*liquidation judiciaire* or *liquidation amiable*) as contemplated under Condition 8 or the sale of the whole of the business (*cession totale de l'entreprise*) of the Issuer or if the Issuer is liquidated for any other reason (other than pursuant to a consolidation, amalgamation or merger or other reorganisation outside the context of an insolvency).

Each amount of Arrears of Interest shall bear interest, in accordance with Article 1343-2 of the French *Code civil*, as if it constituted the principal of the Notes at a rate which corresponds to the Interest Rate from time to time applicable to the Notes (the “**Arrears Interest Rate**”) and the amount of such interest (the “**Additional Interest Amount**”) with respect to Arrears of Interest shall be due and payable pursuant to this paragraph (b) and shall be calculated by the Calculation Agent applying the Arrears Interest Rate to the amount of the Arrears of Interest and otherwise *mutatis mutandis* as provided in the foregoing provisions of this Condition.

The Additional Interest Amount accrued up to any Interest Payment Date shall be added in accordance with Article 1343-2 of the French *Code civil*, for the purpose only of calculating the Additional Interest Amount accruing thereafter, to the amount of Arrears of Interest remaining unpaid on such Interest Payment Date so that it will itself become Arrears of Interest.

(c) *Optional Partial Payment of Arrears of Interest and Additional Interest Amounts*

If amounts in respect of Arrears of Interest and Additional Interest Amounts are paid in part:

- (i) all unpaid amounts of Arrears of Interest shall be payable before any Additional Interest Amounts;
- (ii) Arrears of Interest accrued for any period shall not be payable until full payment has been made of all Arrears of Interest that have accrued during any earlier period and the order of payment of Additional Interest Amounts shall follow that of the Arrears of Interest to which they relate; and
- (iii) the amount of Arrears of Interest or Additional Interest Amounts payable in respect of any of the Notes in respect of any period, shall be pro rata to the total amount of all unpaid Arrears of

Interest or, as the case may be, Additional Interest Amounts accrued on the Notes in respect of that period to the date of payment.

For the purpose hereof:

A “**Mandatory Payment Event**” means that:

- (i) a dividend, other distribution or payment of any nature was validly declared, paid or made in respect of any Equity Securities or any Parity Securities of the Issuer, or
- (ii) the Issuer has repurchased, redeemed, or otherwise acquired any Equity Securities or any Parity Securities of the Issuer other than, with respect to Equity Securities, in connection with the satisfaction by the Issuer of its obligations under any buy-back programme, employee shareholding programmes (including any share purchase option plan), or free share allocation plan reserved for directors, officers and/or employees of the Issuer’s group, liquidity agreement (*programme de liquidité*) or any associated hedging transaction;

save for, in each case, any compulsory dividend, other distribution, payment, repurchase, redemption or other acquisition required by the terms of such securities; and in the case of Parity Securities, any repurchase or other acquisition that was made below par.

“**Parity Securities**” means, at any time, any Deeply Subordinated Notes and any securities which rank *pari passu* with the Notes. The term Parity Securities shall apply *mutatis mutandis* to any instruments issued by any Subsidiary of the Issuer, where relevant, provided that each such instrument shall qualify as Parity Securities only to the extent such instrument is guaranteed by the Issuer or the Issuer otherwise assumes liability for it, and the Issuer’s obligations under the relevant guarantee or other assumption of liability rank *pari passu* with the Issuer’s obligations under Parity Securities.

“**Subsidiary**” means any fully consolidated subsidiary (as defined in Article L.233-1 of the French *Code de commerce*) of the Issuer.

(d) *Notice of Deferral and Payment of Arrears of Interests*

Notice of (i) deferral of any interest under the Notes on any Interest Payment Date and (ii) any date upon which amounts in respect of Arrears of Interest and/or Additional Interest Amounts shall become due and payable shall be given to the Noteholders in accordance with Condition 10, and the Fiscal Agent and the Calculation Agent at least five (5) Business Days in Paris and in London, but no more than thirty (30) Business Days in Paris and in London, prior to such Interest Payment Date or date. 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 Notes holders 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/>).

5 Redemption and Purchase

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

5.1 Final Redemption

Subject to any early redemption described below, the Notes are undated securities with no specified maturity date.

5.2 Optional Redemption

The Issuer will have the right to redeem all of the Notes (but not some only) (i) on any date during the period commencing on (and including) the date (the “**First Call Date**”) falling three (3) months prior to the First Reset Date (15 March 2024) and ending on (and including) the First Reset Date, or (ii) on any Interest Payment Date thereafter, subject, in each case, 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 (which notice shall be irrevocable). Such early redemption of the Notes will be made at their principal amount together with any

accrued interest to the date set for redemption and Arrears of Interest (including any Additional Interest Amounts thereon).

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/>)

5.3 Make-whole Redemption by the Issuer

The Issuer may, having given not more than thirty (30) nor less than fifteen (15) calendar days' notice to the Noteholders in accordance with Condition 10 (which notice shall be irrevocable and shall specify the date fixed for redemption (the "**Make-whole Redemption Date**")) redeem all but not some only of the Notes then outstanding, at any time prior to the First Call Date at the Make-whole Redemption Amount (the "**Make-whole Redemption Option**"). The Issuer shall, not less than fifteen (15) calendar days before the giving of any notice referred to above, notify the Fiscal Agent and the Calculation Agent of its decision to exercise the Make-whole Redemption Option. No later than the Business Day immediately following the Calculation Date, the Calculation Agent shall notify the Issuer, the Fiscal Agent and the Noteholders of the Make-whole Redemption Amount, and the Issuer will cause the same to be notified to the Noteholders in accordance with Condition 10 without undue delay. All Notes shall be redeemed on the relevant Make-whole Redemption Date in accordance with this Condition.

For the purposes of this Condition, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

"**Calculation Date**" means the third Business Day prior to the Make-whole Redemption Date.

"**Make-whole Margin**" means 0.50 per cent. *per annum*.

"**Make-whole Redemption Amount**" means, in respect of each Note in the principal amount of £100,000, an amount in pounds sterling, determined by the Calculation Agent, equal to the sum of:

- (i) the greater of (x) the principal amount of the Note so redeemed and (y) the sum (rounded to the nearest pence (half a pence being rounded upwards)) of the then present values as at the Make-whole Redemption Date of the remaining scheduled payments of principal and interest for the remaining term of such Note (assuming for this purpose that (A) the Notes would otherwise be redeemed on the First Call Date in accordance with Condition 5.2 (and no Arrears of Interest and no any Additional Interest Amount shall have been due on such First Call Date, and no Arrears of Interest and no any Additional Interest Amount shall otherwise have arisen in respect of any period commencing on or after the Make-whole Redemption Date) and (B) any Step-Up Margin that would (had the Issuer not elected to redeem the Bonds pursuant to this Condition) be in effect on the Make-whole Redemption Date shall continue to apply to but excluding the First Call Date), excluding any interest payable pursuant to (ii) below, discounted to such Optional Make-Whole Redemption Date on an annual basis at a rate equal to the sum of (1) the Reference Make-whole Rate (as defined below) and (y) the Make-whole Margin; and
- (ii) any interest (together with any Arrears of Interest (and Additional Interest Amount thereon)) accrued but not paid on such Note to, but excluding, the Make-whole Redemption Date.

"**Reference Benchmark Security**" means (i) the United Kingdom Government Treasury Stock bearing interest at a rate of 1.00 per cent. *per annum* due 22 April 2024, with ISIN GB00BFWFPL34 or (ii) (if such security is no longer outstanding at the relevant time) a government security or securities issued by the United Kingdom government selected by the Calculation Agent as having the nearest actual or interpolated maturity comparable with the relevant remaining term of the Notes (assuming for this purpose that the Notes would otherwise be redeemed on the First Call Date in accordance with Condition 5.2) and (if applicable, as determined by the Calculation Agent) that (in the opinion of the Calculation Agent) would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issuances of corporate debt securities denominated in Sterling and of a maturity comparable with the remaining term of the Notes (determined as aforesaid for this purpose).

“**Reference Make-whole Rate**” means the gross redemption yield (as calculated by the Calculation Agent (on an annual compounding basis) in accordance with generally accepted market practice at such time (and rounded (if necessary) to the nearest integral multiple of 0.001%, with 0.0005% being rounded upwards)) on the Calculation Date of the Reference Benchmark Security, with the price of such Reference Benchmark Security for the purpose of determining such gross redemption yield being the Reference Benchmark Security Price.

Reference Benchmark Security Price” means, in respect of any Reference Benchmark Security, as determined by the Calculation Agent, the average of the bid and offered prices (rounded (if necessary) to the nearest integral multiple of 0.001 per cent., with 0.0005 per cent. being rounded upwards)) for such Reference Benchmark Security as at 11.00 a.m. (London time) on the Calculation Date:

- (iii) as appearing on Bloomberg page QR (using the pricing source ‘Bloomberg Generic Price’) (or any successor page or pricing source) in respect of such Reference Benchmark Security; or
- (iv) (if the Reference Benchmark Security Price is not capable of being determined as provided in (i) above) as quoted by five Reference Banks (on a dealing basis for settlement on the next following Dealing Day, or such basis as is customarily used at such time). Such quotations shall be obtained by or on behalf of the Issuer and provided to the Calculation Agent. If fewer than five, but at least two, quotations are capable of being obtained from such Reference Banks, the Reference Benchmark Security Price will be determined by reference to such number of quotations so obtained (rounded as provided above). If only one quotation is capable of being obtained from such Reference Banks, the Reference Benchmark Security Price will be equal to such quotation so obtained (rounded as provided above). If no quotation is capable of being obtained from such Reference Banks, the Reference Benchmark Security Price will instead be determined by an independent expert selected by the Issuer.

5.4 **Redemption for Taxation Reasons**

- (i) If, by reason of a change in French law or regulation, or any change in the official application or interpretation of such law, becoming effective after the Issue Date, the Issuer would on the occasion of the next payment due in respect of the Notes, not be able to make such payment without having to pay additional amounts as specified in Condition 7 below (a “**Gross-Up Event**”), the Issuer may at any time, subject to having given not more than thirty (30) nor less than fifteen (15) calendar days’ prior notice to the Noteholders (which notice shall be irrevocable), in accordance with Condition 10, redeem all of the Notes (but not some only) at their principal amount together with any accrued interest to the date set for redemption and any Arrears of Interest (including any Additional Interest Amounts thereon) provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the latest practicable Interest Payment Date on which the Issuer could make payment of principal and interest without withholding or deduction for French taxes.
- (ii) If the Issuer would on the occasion of the next payment in respect of the Notes be prevented by French law from making payment to the Noteholders of the full amount then due and payable (a “**Withholding Tax Event**”), notwithstanding the undertaking to pay additional amounts contained in Condition 7 below, then the Issuer may at any time, subject to having given not less than seven (7) calendar days’ prior notice to the Noteholders in accordance with Condition 10 redeem all of the Notes (but not some only) at their principal amount together with any accrued interest to the date set for redemption and any Arrears of Interest (including any Additional Interest Amounts thereon) on the latest practicable date on which the Issuer could make payment of the full amount payable in respect of the Notes without withholding or deduction for French taxes, or, if such date is past, as soon as practicable thereafter.
- (iii) If an opinion of a recognised law firm of international standing has been delivered to the Issuer and the Fiscal Agent, stating that by reason of a change in French law or regulation, or any change in the official application or interpretation of such law, becoming effective after the

Issue Date, the tax regime of any payments under the Notes is modified and such modification results in the part of the interest payable by the Issuer in respect of the Notes that is tax-deductible being reduced (a “**Tax Deductibility Event**”), the Issuer may, at its option, at any time (subject to having given not more than thirty (30) nor less than fifteen (15) calendar days’ notice to Noteholders (which notice shall be irrevocable) in accordance with Condition 10), redeem all of the Notes (but not some only) at (i) the Early Redemption Price (as defined below) where such redemption occurs before First Reset Date, or (ii) at their principal amount together with any accrued interest to the date set for redemption and any Arrears of Interest (including any Additional Interest Amounts thereon) where such redemption occurs on or after the First Reset Date, provided that the effective date of redemption of which notice hereunder may be given shall be no earlier than the latest practicable date preceding the effective date on which the tax regime of interest payments under the Notes is modified.

5.5 Redemption following an Accounting Event

If an Accounting Event shall occur after the Issue Date, the Issuer may, at its option, redeem all of the Notes (but not some only) at any time, subject to the Issuer having given the Noteholders not less than fifteen (15), or more than thirty (30), calendar days’ prior notice (which notice shall be irrevocable) in accordance with Condition 10, at (i) the Early Redemption Price (as defined below) where such redemption occurs before the First Reset Date, or (ii) at their principal amount together with any accrued interest to the date set for redemption and any Arrears of Interest (including any Additional Interest Amounts thereon) where such redemption occurs on or after the First Reset Date.

“**Accounting Event**” means that an opinion of a recognised accountancy firm of international standing, acting upon instructions of the Issuer, has been delivered to the Issuer and the Fiscal Agent, stating that the funds raised through the issue of the Notes may not or will no longer from the implementation date of the relevant new International Financial Reporting Standards (“**IFRS**”) or any other accounting standards that may replace IFRS, be recorded as “equity” in full pursuant to IFRS for the purposes of the annual or semi-annual consolidated financial statements of the Issuer.

The period during which the Issuer may notify the redemption of the Notes as a result of the occurrence of an Accounting Event shall start on, and include, the earlier of such dates on which the change in the relevant new IFRS rules is officially announced by the IFRS-IASB board or equivalent body of IFRS-EU or officially adopted or put into practice (the “**Accounting Event Adoption Date**”). The Accounting Event shall be deemed to have occurred on the Accounting Event Adoption Date notwithstanding any later effective date. For the avoidance of doubt such period shall include any transitional period between the Accounting Event Adoption Date and the date on which it comes into effect.

5.6 Redemption following a Change of Control

In the event of a Change of Control, as defined below, the Issuer may redeem, or procure the purchase of, all, but not some only, of the Notes on the Change of Control Call Date (as defined below), at their principal amount together with any accrued interest and any Arrears of Interest (including any Additional Interest Amounts thereon).

In the event of a Change of Control, the Issuer will inform the Noteholders, no later than thirty (30) calendar days following the effective Change of Control in accordance with Condition 10 (a “**Change of Control Notice**”) specifying the circumstances giving rise to it and either (i) the date on which redemption or purchase of the Notes (the “**Change of Control Call Date**”) will take place or, as the case may be, (ii) the Issuer’s election not to redeem, or procure purchase of, the Notes.

If the Issuer elects to redeem, or to procure purchase of, the Notes, such redemption or purchase will take place not less than thirty (30), nor more than forty-five (45) calendar days after a Change of Control Notice is given.

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*.

5.7 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 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.

In the event that at least eighty (80) per cent. of the aggregate principal amount of the Notes issued on the Issue Date and on the issue date of any further notes issued pursuant to Condition 12 (*Further Issues*) has been purchased by the Issuer (a "**Repurchase Event**"), the Issuer may at its option, at any time, redeem all of the outstanding Notes (but not some only) at their principal amount together with any accrued interest and any Arrears of Interest (including any Additional Interest Amounts thereon), subject to the Issuer having given the Noteholders not less than thirty (30), or more than sixty (60), Business Days' prior notice (which notice shall be irrevocable) in accordance with Condition 10.

5.8 Cancellation

All Notes which are purchased for cancellation by the Issuer pursuant to this Condition 5 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.

5.9 Definitions

For the purposes of these Conditions:

"**Early Redemption Price**" means 101 per cent. of the principal amount of the Notes together with any accrued interest and any Arrears of Interest (including any Additional Interest Amounts thereon) up to the Early Redemption Date of the Notes.

"**Early Redemption Date**" means the effective date of redemption of the Notes made in accordance with this Condition.

6 Payments

6.1 Method of Payment

Payments of principal and interest (including, for the avoidance of doubt, any Arrears of Interest and Additional Interest Amounts) in respect of the Notes will be made in pounds sterling by transfer to a pound sterling-denominated account (or any other account to which pounds sterling may be credited or transferred) of the relevant Account Holder. All payments validly made to such Account Holders in favour of the Noteholders will be an effective discharge of the Issuer in respect of such payments.

All payments are subject in all cases to any applicable fiscal or other laws, regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 7.

6.2 Payments on Business Days

If any due date for payment in respect of any Note is not a Business Day, the Noteholder shall not be entitled to payment until the next following Business Day nor to any interest or other sum in respect of such postponed payment.

No commission or expenses shall be charged to the Noteholders in respect of such payments.

6.3 Fiscal Agent, Paying Agent

The names of the initial Agents and their specified offices are set out below:

Fiscal Agent and Principal Paying 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, Principal Paying Agent or Paying Agent and/or appoint additional or other Paying Agents or approve any change in the office through which any such Agent acts, provided that there will at all times be a Fiscal Agent and a Principal Paying Agent having a specified office in a European city or in London. Notice of any such change or any change of specified office shall promptly be given as soon as reasonably practicable to the Noteholders in accordance with Condition 10. 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/>).

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.

References in these Conditions to (i) “**principal**” shall be deemed to include any premium payable in respect of the Notes, the Early Redemption Price and all other amounts in the nature of principal payable pursuant to Condition 5 or any amendment or supplement to it, (ii) “**interest**” shall be deemed to include all Interest Amounts and all other amounts (including, for the avoidance of doubt, if any, all Arrears of Interest and all Additional Interest Amounts) payable pursuant to Condition 5 or any amendment or supplement to it and (iii) “**principal**” and/or “**interest**” shall be deemed to include any Additional Amounts that may be payable under this Condition.

8 Enforcement Events, no Events of Default and no Cross Default

There are no events of default in respect of the Notes. There is no cross default under the Notes.

However, each Note shall become immediately due and payable at its principal amount, together with accrued interest thereon, if any, to the date of payment and any Arrears of Interest (including any Additional Interest Amounts thereon), in the event that a judgment is rendered by any competent court declaring the judicial liquidation (*liquidation judiciaire*) of the Issuer, or in the event of a transfer of the whole of the business of the Issuer (*cession totale de l'entreprise*) subsequent to the opening of a judicial recovery procedure, or if the Issuer is liquidated for any other reason (other than pursuant to a consolidation, amalgamation or merger or other reorganisation outside the context of an insolvency). No payments will be made to holders of any class

of the share capital of the Issuer before all amounts due, but unpaid, to all Noteholders have been paid by the Issuer.

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 Condition 9 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 £194,810,000 and an amount equivalent to the net proceeds from the offering of the Notes, issued pursuant to the Green Bond Framework, will be allocated to finance or refinance a selected pool of new and existing assets that promote the transition to low-carbon and climate resilient growth and which meet the criteria outlined below (“**Green Asset Pool**”) in alignment with the four core pillars of the June 2018 version of the International Capital Markets Association’s Green Bond Principles. In addition, each category has been identified as aligning with the applicable Sustainable Development Goal (“**SDG**”).

Eligibility Criteria

GBP Eligible Categories	Eligibility Criteria and Example Projects	SDG Targets
Green Buildings	<p>New or existing residential and commercial buildings owned and managed by Korian that meet specific energy performance thresholds, including:</p> <ul style="list-style-type: none"> • Buildings aligned with the European Nearly-Zero-Energy Buildings (NZEB) low consumption building standards corresponding to buildings with a very high energy performance. The NZEB is a requirement from the European Union Energy Performance of Buildings Directive (EPBD). • Energy Performance Certificate (EPC): B rating or above, corresponding to buildings with a level of energy performance in the top 15% of national stock; • Other equivalent internationally and/or nationally recognized certifications. <p>The energy-efficiency criteria applied by Korian for each country covered by the Green Bond Framework and in which it operates in Europe is available in Appendix 1 of this document.</p>	<p>9.4 Upgrade infrastructure and retrofit industries to make them sustainable, with increased resource use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities</p> 
Energy Efficiency	<p>New or existing investments or expenditures in projects which include the measures and technologies applicable for the “individual measures and professional services” of the EU Taxonomy. These are likely to include:</p>	<p>9.4 Upgrade infrastructure and retrofit industries to make them sustainable, with increased resource use efficiency and greater</p>

	<ul style="list-style-type: none"> • The installation of zoned thermostats, smart thermostat systems and sensing equipment, e.g. motion and day light control • The installation of Building Management Systems (BMS) and Energy Management Systems (EMS) • The installation of charging stations for electric vehicles • The installation of smart meters for gas and electricity 	<p>adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities</p> 
Renewable Energy	<p>New or existing investments in or expenditures on the acquisition, development, construction and/or installation of renewable energy such as wind and solar. Renewable energy can include (but are not limited to):</p> <ul style="list-style-type: none"> • On-site solar energy projects; • Connection to district heating • Purchase Power Agreements (PPAs) which are project-specific and with a long-term maturity greater than 5 years 	<p>7.2 Increase substantially the share of renewable energy in the global energy mix</p> 

Collectively, the assets in the above categories will form the Green Asset Pool. Assets will be recognised at their market value and shall qualify for refinancing without a specific look-back period. Expenditures (if any) shall qualify for refinancing with a maximum three year look-back period before the issuance of the Green Bond.

Project Selection

Korian has set up a Real Estate Green Bond 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 Green Bond Framework and with Korian’s corporate responsibility strategy.

The Committee will be chaired by the Group Chief Real Estate and Development Officer and furthermore composed of representatives from each of Korian’s CSR, Technical, Asset Management, Corporate and Financing teams, and will meet twice per year.

The Committee will be responsible for:

- Reviewing and approving the selection of projects for the Green Asset Pool based on the selection criteria defined in the Use of Proceeds section of the Green Bond Framework;
- Monitoring the Green Asset Pool, throughout the life of the Notes;

- Removing from the Green Asset Pool 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.

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 Real Estate Team. Korian will track the allocation of proceeds for the purpose of recording the assets and projects in the Green Asset Pool.

Pending allocation to the Green 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 Green Asset Pool.

Korian is committed on a best efforts basis to ensure the allocation of proceeds within 36 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 Green 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 and level of certification; and
- The balance of unallocated proceeds.

Impact Reporting

To the extent possible, Korian plans to report on the environmental impact in aggregate for the green bond project categories, together with the aforementioned allocation status in future Green Bond Reports (as defined in the Green Bond Framework). Examples of possible environmental indicators could include:

- **Green Buildings:**
 - Number and floor space of Green Buildings meeting the eligibility criteria
 - Buildings meeting the requirements of Réglementation Thermique 2012
 - Buildings with EPC certification level B rating or above
 - Buildings meeting the KfW Effizienzhaus 55 standard
- **Energy Efficiency**
 - Number of energy efficiency projects implemented
 - Reduction of energy consumption (kWh) on the global Group consumption
 - Percentage improvement of energy efficiency at asset level

- **Renewable Energy:**
 - Total installed capacity (MW)
 - Estimated annual CO2 emissions avoided (tCO2)

In addition, Korian may provide qualitative descriptions of the outcomes and impacts of selected eligible projects funded. Where relevant, information will be provided on the impact assessment and data reporting methodologies applied by Korian.

Second Party Opinion

Korian has appointed DNV-GL to provide an independent Second Party Opinion report (“**SPO**”) on the Green Bond Framework. The SPO will be made publicly available on Korian’s corporate website at: <https://www.korian.com>.

RECENT DEVELOPMENTS

The following press release has been published by Korian on 19th April 2021:

Q1 2021 Revenue Dynamic revenue growth from a resilient business model and good performance of recent acquisitions

- Efficient vaccination campaign, 84% of nursing home residents vaccinated across Europe
- Protection from the vaccination demonstrated with less than 0.3% of residents Covid+, with the majority asymptomatic
- Dynamic growth with 8.1% of revenue growth, of which 1.4% organic
- Strong contribution from acquisitions following successful integrations
- Reinforcement of Korian's commitment to innovative qualifying training paths, with the launch of *Passerelles* programme in France
- Growth perspective confirmed: more than 9% growth in 2021, in line with the 2022 target on revenue of over 4.5 billion euros

Paris, 19th April 2021 – Korian the leading European care and support services group for the elderly and fragile, gives an update on the Covid-19 health crisis and announces its 1st quarter revenue for 2021.

Update on Covid-19 health crisis and vaccination campaign

Over the period, Korian has maintained a high level of vigilance and stringent Covid-19 procedures. Having faced the second wave across Europe, nursing homes are now protected from Covid infections, as demonstrated with less than 0.3% of the nursing home residents still with cases, which are almost all asymptomatic.

The vaccination campaign has now enabled with more than 84% of residents and more than 59% of employees vaccinated, with an objective to finalise the campaign by end of May in all the countries where the Group is present and will be extended to residents who were not able to be vaccinated during the first campaign due to a Covid-19 infection over the last 3 months. A vaccination strategy is in place for all new residents and will also contribute to the vaccination effort for the local population in agreement with local health authorities.

1st quarter 2021 revenue

In the first quarter of 2021, Korian generated revenue of €1,018.2 million, up 8.1% compared to the same period last year, which was only marginally affected by the pandemic.

The dynamic growth is mainly driven by the good performance of the acquisitions the group completed in 2020 and early 2021, with a strong performance from Inicea, specialised in mental health, since its integration in December 2020, but also the other acquisitions in medical activities in Italy and France, as well as the expansion in the Netherlands and the entry in the United Kingdom through the acquisition of Berkley Care Group.

The organic growth of 1.4% reflects the resilient and diversified business model of the Group. This growth is driven by the nursing homes activities in Germany benefitting from the repositioning and the increase in capacity over the last two years as well as a favourable care mix evolution. The organic growth also reflects the continued growth of medical care services growing c. 8% organically in Italy and France, following the increased specialisation and outpatient capacity.

Q1 revenue by geography

In France, including Spain and UK, revenue reached €10.8 million¹, up 10.8% compared to the same period in 2020 driven notably by the acquisitions of 5 Santé (February 2020) and Inicea (December 2020). The organic growth of 2.8% reflects the dynamic activity in medical care, following the ongoing transformation of the network and the increase in outpatient capabilities.

In Germany, revenue totalled €259.3 million, up 5.8%, driven by a solid organic growth of 3.5% despite the second, more difficult, wave of the pandemic in Germany and a contribution from recent acquisitions to extend the Group's reach in the Lower Saxony and North Rhine-Westphalia regions and homecare activities.

In the Benelux region², revenue amounted to €43.4 million up 3.1% on last year with an organic growth of 0.3%. The growth is driven by development of the platform in the Netherlands that now represents around 1,100 beds.

In Italy, revenue was up 8.6% at €104.7 million, driven by the acquisitions of clinics completed in 2020, notably in Rome and the Puglia region. The organic decrease of -8.7% reflects the low level of occupation in the nursing homes mainly located in the lasting until recently. New entries are now facilitated following the completed vaccination campaign.

Korian's mobilisation for employment and qualifying training

Korian continues to innovate as an employer and recruiter in its geographies. Notably in France, Korian has launched with the support of the authorities and stakeholders a “*Passerelles*” programme, part of the “Collective Transitions” programme, deployed by the public authorities since January 15, 2021 allowing employees from other sectors to retrain through paid, qualifying training over 14 months. Under this programme, Korian will offer to Derichebourg Multiservices employees to be retrained as carers. Korian intends to enlarge this programme to other companies to reach 200 participants in 2021. This initiative is a part of Korian's overall strategy to increase the attractiveness of the care profession and to diversify recruitment sources in a context of strong growth. The Group aims to have 10% of its staff in qualifying training paths by 2023, compared to 4% in 2019 and to cover 50% of its recruitment needs for carers in this way.

Following the launch of a dedicated “care school” in France (*Centre de Formation d'Apprentis des métiers du Soin Korian*) last year and the creation of two virtual learning hubs in Munich and Lyon (*Académies des métiers du Soin*), Korian Italy has launched a Caregivers School with Mylia, a subsidiary of the Adecco Group dedicated to training and consultancy. This Caregivers School will provide accredited theoretical and practical training for caregivers in the Lombardy region.

Outlook

The success of the vaccination campaigns across Europe was a necessary step towards the normalisation of the level of activity in nursing homes. Therefore, despite the restrictions and procedures still in place in most countries, the Group notes since mid-March an overall positive dynamic across its geographies, and particularly in Germany and Italy. With the mobilisation of its teams and the investments made by the Group in its human resource policies, the network is well positioned to respond to the important needs to care for the elderly and those with chronic illness and accompany the rebound in activities.

The first quarter of 2021 has also been marked by the acquisition of Ita Mental Health in Spain that is expected to close in the coming weeks.

¹ Including €7.8 million of revenue from Spain and €1.8 million from UK

² Including €8.2 million of revenue from The Netherlands

Korian announced today the acquisition of Intensivpflegedienst Lebenswert GmbH (IPDL), a leading German intensive care company based in southern Germany (Baden-Württemberg and Bavaria).

This acquisition is fully in line with the Group's ambulatory care strategy and the deployment of specialized medical care in its geographies. For 2021, revenue is expected at c.10 million euros, with solid growth prospects.

This acquisition supports the Group's ambulatory care strategy in Germany and the increase of specialised medical care that we are deploying across its geographies.

Based on these elements, the Group expects revenue for 2021 to grow by more than 9%, in line with the 2022 target on revenue of over 4.5 billion euros.

1st quarter revenue by geography

€m	Revenue		Reported growth	Organic growth
	Q1 2021	Q1 2020	Variation %	
France ³	510.8	460.9	10.8%	2.8%
Germany	259.3	245.2	5.8%	3.5%
Benelux ⁴	143.4	139.1	3.1%	0.3%
Italy	104.7	96.4	8.6%	(8.7%)
Total	1,018.2	941.6	8.1%	1.4%

³ Including €7.8m from Spain in Q1 2021 (vs €8.6m in Q1 2020) and €1.8m from UK in Q1 2021

⁴ Including €125.2m from Belgium and €18.2m from The Netherlands (Q1 2021) vs €129.0m in Belgium and €10.1m from The Netherlands (Q1 2020)

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

Morgan Stanley Europe SE (the “**Sole Bookrunner and Structuring Adviser**”) has, pursuant to a subscription agreement dated 11 June 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 99.655 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 Sole Bookrunner and Structuring Adviser in connection with the issue of the Notes. The Sole Bookrunner and Structuring Adviser is entitled to terminate the Subscription Agreement in certain circumstances prior to the issue of the Notes. The Issuer has agreed to indemnify the Sole Bookrunner and Structuring Adviser 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.

The Sole Bookrunner and Structuring Adviser 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 the Sole Bookrunner and Structuring Adviser 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 Sole Bookrunner and Structuring Adviser 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

The Sole Bookrunner and Structuring Adviser 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.

The Sole Bookrunner and Structuring Adviser 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

The Sole Bookrunner and Structuring Adviser 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.

Singapore

The Sole Bookrunner and Structuring Adviser has represented and agreed that this Offering Memorandum has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, the Sole Bookrunner and Structuring Adviser has represented and agreed that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Memorandum or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the “SFA”)) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

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

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

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

- (i) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (ii) where no consideration is or will be given for the transfer;
- (iii) where the transfer is by operation of law;
- (iv) as specified in Section 276(7) of the SFA; or
- (v) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “**CMP Regulations 2018**”), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are prescribed capital markets products (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendation on Investment Products).

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.

The Sole Bookrunner and Structuring Adviser 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 Sole Bookrunner and Structuring Adviser 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 Group since 31 March 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 FR0014003YZ5. The Common Code number for the Notes is 235301253.

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 4 May 2021 and a decision of the Chief Executive Officer (*Directrice Générale*) of the Issuer dated 8 June 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. The 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 up to their First Reset Date is 4.250 per cent. *per annum* and is calculated 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 Sole Bookrunner and Structuring Adviser, 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, Morgan Stanley Europe SE 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.
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 “**pounds sterling**” or “**£**” to the lawful currency of the United Kingdom.
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.

Issuer

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Calculation Agent

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