



CRELAN SA/NV

(incorporated with limited liability in Belgium)

Euro 3,000,000,000

Euro Medium Term Note Programme

1. General Introduction

- 1.1** This supplement dated 20 December 2023 (the “**Supplement n°2**”) constitutes a supplement for the purposes of article 23 of Regulation (EU) 2017/1129, as amended from time to time (the “**Prospectus Regulation**”).
- 1.2** This Supplement n°2 is supplemental to, forms part of, and must be read in conjunction with the base prospectus dated 26 July 2023 (the “**Base Prospectus**”), as last supplemented by Supplement n°1 dated 5 September 2023 (“**Supplement n°1**”), prepared in connection with the EUR 3,000,000,000 Euro Medium Term Note Programme (the “**Programme**”) established by Crelan SA/NV, incorporated as a limited liability company (*société anonyme/naamloze vennootschap*) under the laws of Belgium, with its registered office at Sylvain Dupuislaan 251, 1070 Anderlecht, Belgium and registered with the Crossroads Bank for Enterprises under business identification number 0205.764.318 (Brussels) (the “**Issuer**”).
- 1.3** Terms defined in the Base Prospectus or in any document incorporated by reference in the Base Prospectus shall, unless the context otherwise requires, have the same meaning when used in this Supplement n°2. In case of inconsistency between (a) statements in, or incorporated by reference into, this Supplement n°2 and (b) any other statement in, or incorporated by reference into, the Base Prospectus, this Supplement n°2 will prevail.
- 1.4** This Supplement n°2 has been approved by the FSMA on 20 December 2023, as competent authority under the Prospectus Regulation. This approval does not imply any appraisal of the appropriateness or the merits of any issue under the Programme, nor the situation of the Issuer.
- 1.5** The Issuer accepts responsibility for the information contained in this Supplement n°2. To the best of the knowledge of the Issuer, the information contained in this Supplement n°2 is in accordance with the facts and does not omit anything likely to affect its import.
- 1.6** The Base Prospectus and this Supplement n°2 are available on the website of the Issuer on <https://www.crelan.be/nl/particulieren/investor-relations> and copies can be obtained free of charge in the offices of the Issuer.

2. Purpose of the Supplement n°2

2.1 This Supplement n°2 has been prepared for purposes of:

- (a) updating the section on risk factors included in the Base Prospectus, in respect of the progress of the integration of AXA Bank Belgium;
- (b) updating the section with respect to credit ratings of the Issuer (upgrade of S&P issuer credit rating from BBB+ to A-); and
- (c) updating the section “Trend Information” with respect to sanctions screening (completion of the action plan).

2.2 Save as disclosed in Supplement n°1 and this Supplement n°2, there has been no other significant new factor, material mistake or material inaccuracy since the publication of the Base Prospectus.

3. Risk related to the integration of AXA Bank Belgium

3.1 Introduction

The section “4.3. *Risks related to the integration of AXA Bank Belgium (High)*” on pages 22-23 is amended as set out below.

3.2 Second paragraph of section 4.3

The second paragraph of the section is amended by including the following sentence after the sentence “This can be the result of an inadequate planning, supervision or implementation (execution) or the result of external events”:

“The merger between Crelan and AXA Banque Belgium may also put pressure on each bank's branch network, as well as causing concern among their staff.”

3.3 Added text at the end of section 4.3

The following text is included after the paragraph “A number of initiatives have been taken in order to inform all customers and to explain the next steps. The execution of the IT integration of AXA Bank into the Group is a key project and a priority for the Group. Specialised consultants assist the Group in this important project”:

“The aim of the merger between Crelan and AXA Bank Belgium is to strengthen the merged bank's position in the market by focusing on dynamic and efficient operations. With this project, Crelan aims to create added value for all stakeholders involved. However, change can also generate anxiety and dissatisfaction, both within the branch network and among head office staff.

Following the merger of the two banks and the migration of data to a single IT platform, all banking activities will continue under the Crelan logo. AXA Bank Belgium's branches will therefore also become Crelan branches, which could lead to concentrations of branches that are geographically close to each other.

Crelan intends to align the branch networks of the two banks by the end of 2027, in consultation with the agents. Consultation and open, transparent communication with agents are important to the bank in this regard. Crelan will closely involve the official bodies for consultation with agents as appropriate and relevant representatives. In addition, the bank will maintain open relations with the professional organisations of independent banking agents.

Despite the culture of consultation, the bank must also bear in mind that this initiative may give rise to dissatisfaction and anxiety among independent banking agents and their teams. The possible consequences are a drop in motivation, fear of a reduction in the number of branches, nervousness about new processes and programs, disagreement with the bank's vision for the future, etc. This dissatisfaction can lead to problems in relations between the bank and its network, which in turn can have an impact on the quality of the service offered and, ultimately, also cause dissatisfaction among customers, or even a loss of customers and cooperators, which can lead to a loss of turnover and equity capital.

In addition to the branch network, the salaried staff of Crelan and AXA Bank Belgium will also have to find their place in the merged bank. This also involves creating a new common culture, providing training to familiarise colleagues with the new systems and harmonising employee status and conditions. In this respect, Crelan wanted to quickly provide clarity and dispel any potential concerns.

Here too, despite the culture of open consultation, the bank must take potential risks into account. For example, employees may not agree with the new working environment and conditions or may have concerns about the continuation of their function, which may prompt them to leave the bank. This may temporarily lead to work organisation problems during the search for replacements or in the event of lengthy training processes for the replacement of specialised functions.

3.4 Amendment to summary paragraph

The paragraph starting “In summary ...” is amended by adding the underlined text: “In summary, the risks related to the integration are mostly stemming from an inadequate integration plan and/or incomplete implementation thereof, inadequate TSAs, lack of communication, use of inexperienced consultants, loss of key staff in strategic functions, tensions in the network of branches, the loss of cost control and the non-realisation of projected synergies in order to optimise the acquisition costs in respect of AXA Banque Belgium in line with the expectations.”

It should also be noted that the modernization of the IT platform of Crelan is a complex matter and includes functional improvements, structural improvements and process improvements. Combining these 3 factors is a challenge that gives right to certain teething problems. This modernisation has also shown that a reinforcement of outsourced services was required (see in this respect also risk factor 4.4.3 with respect to risks related to outsourcing.”

4. Credit ratings of the Issuer

4.1 Introduction

The Base Prospectus is amended to reflect updated information with respect to the credit ratings of the Issuer, more in particular to reflect the rating upgrade by S&P of the issuer credit rating of Crelan from BBB+ to A- on 19 September 2023.

4.2 Front page of the Base Prospectus

On page 1 of the Base Prospectus, the first sentence of the last paragraph is amended as shown in bold in the text below:

“The Issuer’s current rating by S&P Global Ratings Europe Limited (“**Standard & Poor’s**”) is **A-** for the long-term issuer rating and **A-2** for the short-term issuer rating.”

4.3 Risk factor section in the Base Prospectus

On page 31 of the Base Prospectus, under the section 5.7 (“*Downgrade in credit ratings (Medium)*”), the first sentence of the second paragraph of this section is amended as shown in bold in the text below:

“The Issuer’s current rating by Standard & Poor’s is **A-** for the long-term issuer rating and A-2 for the short-term issuer rating.”

4.4 Overview of the Programme in the Base Prospectus

The subsection “*Ratings*” of the section “*Overview of the Programme*” is amended as follows on page 64 of the Base Prospectus: the first paragraph is amended as shown in bold in the text below:

“The Issuer’s current rating by Standard & Poor’s is **A-** for the long-term issuer rating and A-2 for the short-term issuer rating.”

4.5 Description of the Issuer

The section of the Base Prospectus “Credit ratings” on page 156 of the Base Prospectus is amended as shown in bold in the text below:

“The Issuer’s current rating by S&P Global Ratings Limited is **A-** for the long-term issuer rating and A-2 for the short-term issuer rating.”

5. Embargos and sanctions screening

5.1 Introduction

Reference is made to the subsection added in the section “Trend Information” on page 181 of the Base Prospectus in accordance with Supplement n°1 dated 5 September 2023 (§ 5.1 of Supplement n°1). This added text is completed as set out below.

5.2 Update of the section in respect of embargos and sanctions screening

The sentence “The Issuer confirms the ongoing implementation of the action plan in consultation with the regulator in order to be in full compliance with existing legislation and to fully meet the regulator's recommendations and expectations.” is replaced by the following sentence:

“The Issuer confirms that the implementation of the related action plan has been finalized on 26 October 23 in consultation with the regulator in order to be in compliance with existing legislation and to meet the regulator’s recommendations and expectations. The relevant screening mechanisms have been put in place”.

6. Risk factor “MREL Requirement”

6.1 Introduction

Reference is made to the statement with respect to MREL on page 15 of the Base Prospectus, replaced by the text as set out in section 7 on page 21 of the Supplement n° 1 dated 5 September 2023.

6.2 Update of the section with respect to MREL

The 2 last paragraphs of page 21 of the Supplement n°1 dated 5 September 2023 are replaced by the following text:

“The MREL of the Crelan Group amounts to 43.15 % TREA on 30 September 2023 (= EUR 3,899 mio of Own Funds and Eligible Liabilities / EUR 9,037 mio TREA).

The MREL of the Crelan Group amounts to 6.89% LRE on 30 September 2023 (= EUR 3,899 mio of Own Funds and Eligible Liabilities / EUR 56,577 mio LRE).”

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