

**FOURTH SUPPLEMENT DATED 13 AUGUST 2024 TO THE BASE PROSPECTUS DATED
9 OCTOBER 2023**



CA Auto Bank S.p.A.
(incorporated with limited liability in the Republic of Italy)

acting through

CA Auto Bank S.p.A., Irish Branch

€12,000,000,000
Euro Medium Term Note Programme

This fourth Supplement (the **Supplement**) to the Base Prospectus dated 9 October 2023, as supplemented by the first supplement dated 12 January 2024, the second supplement dated 2 April 2024 and the third supplement dated 10 June 2024 (the **Base Prospectus**) which comprises a base prospectus for the purposes of the Prospectus Regulation constitutes a supplement to the prospectus for the purposes of Article 23 of the Prospectus Regulation and is prepared in connection with the Euro Medium Term Note Programme (the **Programme**) established by CA Auto Bank S.p.A., acting through its Irish branch (the **Issuer**). Terms defined in the Base Prospectus have the same meaning when used in this Supplement. When used in this Supplement, **Prospectus Regulation** means Regulation (EU) 2017/1129, as amended.

This Supplement is supplemental to, and should be read in conjunction with, the Base Prospectus and any other supplements to the Base Prospectus issued by the Issuer.

The Issuer accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Issuer the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Supplement has been approved by the Central Bank of Ireland (the **Central Bank**), as competent authority under the Prospectus Regulation. The Central Bank only approves this Supplement as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer or the quality of the Notes that are the subject of this Supplement. Investors should make their own assessment as to the suitability of investing in the Notes.

Purpose of the Supplement

The purpose of this Supplement is to (i) update risk factor entitled “*Risk related to changes to the credit institution framework*” in the “*Risk Factors*” section of the Base Prospectus; (ii) update the “*Documents Incorporated by Reference*” section of the Base Prospectus; (iii) update paragraphs “8. *Organisational Structure*”, “9.1 *Board of Directors*”, “*Italian anti-trust authority*” and “11. *Recent Developments*” in the “*Description of CA Auto Bank*” section of the Base Prospectus; (iv) update the paragraphs entitled “*Basel III and the CRD IV Package*”, “*Capital Requirements*” and “*The 2021 Banking Package*” in the “*Regulatory Aspects*” section of the Base Prospectus; and (v) update the paragraph entitled “*Significant or Material Change*” in the “*General Information*” section of the Base Prospectus.

UPDATE OF THE “*RISK FACTORS*” SECTION OF THE BASE PROSPECTUS

On page 23 of the Base Prospectus, the risk factor headed “*Risk related to changes to the credit institution framework*” in the sub-section entitled “*Risks related to changes to the existing regulatory framework*” of the “*Risk Factors*” section of the Base Prospectus is hereby amended as set out below:

“Banks are subject to the Basel III regulations, which relate to capital and liquidity requirements with the goal of promoting a more resilient banking sector in the event of a crisis, implemented in the European Union through the Capital Requirements Directive package.

As at the date of this Base Prospectus, banks must meet the own funds requirements provided by article 92 of (EU) Regulation 575/2013 of the European Parliament and European Council of 26 June 2013 concerning prudential requirements for credit institutions and investment firms, as subsequently amended, (the **CRR**): (i) the Common Equity Tier 1 Ratio must be equal to at least 4.5 per cent. of the total risk exposure amount of the bank; (ii) the Tier 1 Ratio must be equal to at least 6 per cent. of the total risk exposure amount of the bank; (iii) the Total Capital Ratio must be equal to at least 8 per cent. of the total risk exposure amount of the bank; and (iv) the Leverage Ratio must be equal to at least 3 per cent. of the Tier 1 Ratio divided by the total exposures amount of the bank. In addition to the minimum regulatory requirements, banks must meet the Combined Buffer Requirement (as defined below) provided by EU Directive 2013/36 of the European Parliament and European Council in relation to credit institutions’ activities, credit institutions’ prudential supervision and investment undertakings, as subsequently amended, (the **CRD IV**).

In terms of banking and prudential regulation, CA Auto Bank is also subject to the BRRD, as subsequently amended, implemented by the BRRD Decrees (as defined below) as well as the relevant technical standards and guidelines from EU regulatory bodies (i.e. EBA) which, *inter alia*, provide MREL requirements for credit institutions, recovery and resolution mechanisms. Since the Issuer is not part of the Crédit Agricole Network as defined in Article R.512-18 of the French Monetary and Financial Code, it is not subject to an external MREL requirement under the BRRD and its debt instruments do not contribute to the Crédit Agricole Group MREL ratio.

For a description of the corporate structure of CA Auto Bank please see “*Description of CA Auto Bank*” of this Base Prospectus.

Should CA Auto Bank not be able to meet the capital requirements and/or MREL requirements imposed by the applicable laws and regulations, it may be required to maintain higher levels of capital, which could potentially impact the credit ratings, and funding conditions, which could limit CA Auto Bank’s growth opportunities and profitability.

For a description of the CRD package applicable to the CA Auto Bank Group please see “*Regulatory Aspects - Basel III and the CRD IV Package*” of this Base Prospectus.

For a description of the BRRD package applicable to CA Auto Bank Group, please see “*Regulatory Aspects – The Bank Recovery and Resolution Directive*” of this Base Prospectus.

Furthermore, CA Auto Bank is subject to the Pillar 2 requirements for banks imposed under the CRD IV Package (as defined below), as amended by the EU Banking Reform Package (as defined below), which will be impacted, on an on-going basis, by the Supervisory Review and Evaluation Process (SREP).

For a description of the Pillar 2 requirements applicable to the CA Auto Bank Group please see “*Regulatory Aspects - Capital Requirements*” of this Base Prospectus.

The CA Auto Bank Group's liquidity and long-term viability depends on many factors including its ability to successfully raise capital and secure appropriate financing. Should CA Auto Bank not be able to implement the approach to capital requirements it considers optimal in order to meet the capital requirements imposed by the CRD IV Package (as amended by the EU Banking Reform Package), it may be required to maintain levels of capital which could potentially impact its credit ratings, funding conditions and limit CA Auto Bank's growth opportunities.

Depending on the outcomes of the legislative process underway in Europe, CA Auto Bank might be compelled to adapt to changes in the regulations (and in their construction and/or implementation procedures adopted by the supervisory authorities), with potential adverse effects on its assets, liabilities and financial situation. In particular, investors should consider that supervisory authorities may impose further requirements and/or parameters for the purpose of calculating capital adequacy requirements or may adopt interpretation approaches of the legislation governing prudential fund requirements unfavourable to CA Auto Bank, with consequent inability of CA Auto Bank to comply with the requirements imposed and with a potential negative impact, even material, on the business and capital, economic and financial conditions.

In light of that, CA Auto Bank has in place specific procedures and internal policies - in accordance with the regulatory frameworks defined by domestic and European supervisory authorities and consistent with the regulatory framework being implemented at the European Union level - to monitor, among other things, liquidity levels and capital adequacy. Despite the existence of these procedures and policies, there can be no assurance that violations of regulations will not occur, which could adversely affect CA Auto Bank's results of operations, business and financial condition. As at the date of this Base Prospectus, the Bank of Italy has recently announced the introduction of a systemic risk buffer applicable to all banks and banking group authorised in Italy of 1.0 per cent. of exposures towards Italian residents weighted for credit and counterparty credit risk (to be gradually phase-in until June 2025). Moreover, as at the date of this Base Prospectus, the CRD VI and the CRR III (as both defined below) have only been recently published on the Official Journal of the European Union and there is still uncertainty as to adoption and implementation of this legislative acts and in particular it is not yet clear how and to what extent the changes brought by both the CRR III and the CRD VI may impact on CA Auto Bank's operations.

For a description of the EU Banking Reform Package applicable to the CA Auto Bank Group please see "*Regulatory Aspects - EU Banking Reform Package*" of this Base Prospectus.

In addition, on 18 April, 2023, the European Commission published a proposal for the further amendment of the BRRD, including, among other things, the amendment of the ranking of claims in insolvency to provide for a general depositor preference, pursuant to which the insolvency laws of Members States would be required by the BRRD to extend the legal preference of claims in respect of deposits relative to ordinary unsecured claims to all deposits. The implementation of this proposal is subject to further legislative procedures but if it is implemented in its current form, this would confirm the outcome currently applicable under Italian law, whereby the senior notes will rank junior to the claims of all depositors, including deposits of large corporates and other deposits.

Investors should also consider that it cannot be excluded that in the future CA Auto Bank may be required, in particular in light of external factors and unforeseeable events outside its control and/or after further requests by the supervisory authority, to implement capital enhancement interventions; there is also a risk that CA Auto Bank may not be able to achieve and/or maintain (both at individual and consolidated level) the minimum capital or MREL requirements provided for by the legislation in force from time to time or established from time to time by the supervisory authority in the times prescribed therein, with potential material negative impact on its business and capital, economic and financial condition.

In these circumstances, it cannot be excluded that CA Auto Bank may be subject to extraordinary actions and/or measures by competent authorities, which may include, inter alia, the application of the resolution tools as per the BRRD Decrees (as defined below). In particular, the impact of the resolution tools provided for by the BRRD Decrees on the rights of the Noteholders are further described in the section “*Regulatory Aspects*”. In this respect, please see “*Regulatory Aspects - The Bank Recovery and Resolution Directive*” and see “*Regulatory Aspects – Revision to the BRRD framework*” of this Base Prospectus.”

DOCUMENTS INCORPORATED BY REFERENCE

By virtue of this Supplement, the unaudited consolidated interim financial report of CA Auto Bank for the six months ended 30 June 2024 is incorporated by reference in, and forms part of, the Base Prospectus.

On page 41 of the Base Prospectus, under the first paragraph of the section headed “*Documents Incorporated by Reference*”, a new letter (f) is added as follows:

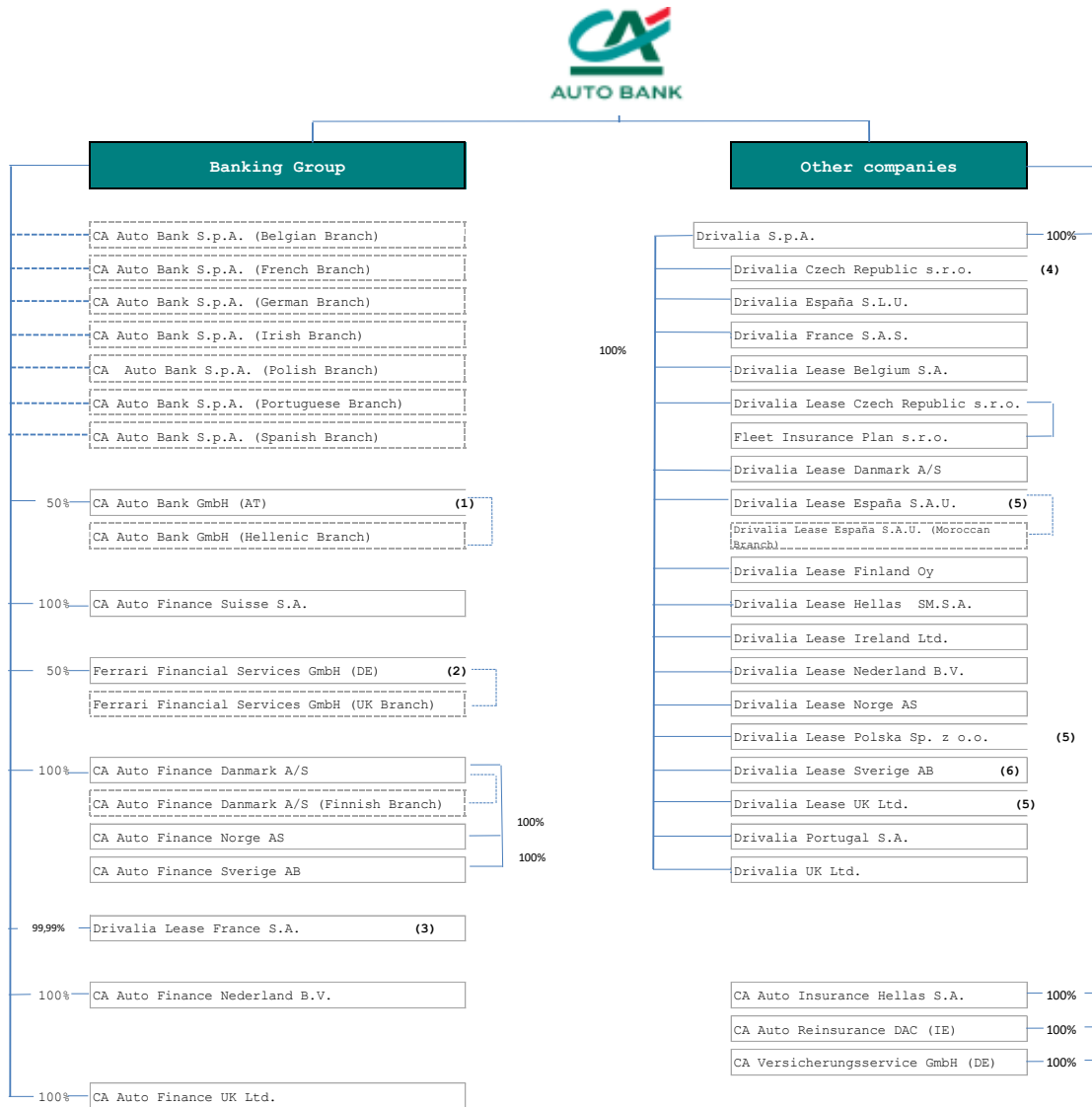
“(f) the unaudited consolidated interim financial report of CA Auto Bank for the six months ended 30 June 2024, together with the auditors’ limited review report thereon (which can be found on the following website: <https://www.ca-autobank.com/en/investor-relations/statements-and-reports/>), including the information set out therein at the following pages in particular:

The Business Lines	Pages 22-31
Drivalia (Rental/Mobility)	Pages 32-36
Insurance and Services	Pages 37-39
Geographical distribution of outstanding balances at the end of the period and the new production for the first half of 2024	Page 40
Financial structure and funding sources	Pages 63-64
Residual values	Page 77
Results of Operations	Pages 78-85
Own Fund and Capital Ratios	Page 86
Organization and Human Resources	Pages 90-92
<i>Consolidated Financial Statements</i>	
Consolidated Statement of Financial Position	Page 116-117
Consolidated Income Statement	Page 118
Consolidated Statement of Comprehensive Income	Page 119
Consolidated Statement of Changes in Equity	Pages 120-121
Consolidated Statement of Cash Flows (Direct Method)	Pages 122-123
Notes to the Consolidated Financial Statements	Pages 124-188
Independent Auditors’ Report on the Consolidated Financial Statements	Pages 190-191”

UPDATE OF THE “DESCRIPTION OF CA AUTO BANK” SECTION OF THE BASE PROSPECTUS

On page 115 of the Base Prospectus, the paragraph “8. Organisational Structure” in the “Description of CA Auto Bank” section is hereby amended as set out below:

“The diagram below sets out the structure of the CA Auto Bank Group as at the date of this Base Prospectus.



Notes:

- (1) CA Auto Bank GmbH – The remaining 50% is held by CA Consumer Finance SA.
- (2) Ferrari Financial Services GmbH – CA Auto Bank holds 50% + 1 share; the remaining shares
- (3) Drivalia Lease France SA – the remaining 10 shares are held by Drivalia France S.A.S.
- (4) Drivalia Czech Republics.r.o. was established on April 17th, 2024;
- (5) Drivalia Lease España S.A.U. and Drivalia Lease UK Ltd. and Drivalia Lease Polska Sp. z o.o. are included in thew bankingscope;
- (6) Drivalia Lease Sverige AB was established on April 8th, 2024.

”

On pages 115 – 118 of the Base Prospectus, the paragraph “9.1 Board of Directors” in the “Description of CA Auto Bank” section is hereby amended as set out below:

“The table below sets out certain information regarding the members of the board of directors of CA Auto Bank as at the date hereof.

<u>Name</u>	<u>Position</u>	<u>Year first appointed to the Board of Directors</u>	<u>Principal Offices Outside of the CA Auto Bank Group</u>
S. Priami	Chairman of the Board	2020	Deputy Chief Executive Officer of Crédit Agricole S.A. for Specialized Financial Services; CA Consumer Finance SA – Chief Executive Officer;
G. Carelli.....	Chief Executive Officer and General Manager	2014	
A. Vincent Laimé	Director (non-executive)	2024	CA Consumer Finance – Head of Business Unit Smart Conso CA & LCL
J. Hombourger.....	Director (non-executive)	2023	Caisse Régionale de Crédit Agricole Val de France – Chief Executive Officer
R. Bouligny	Director (non-executive)	2020	CA Consumer Finance Head of Group Automotive and Mobility
V. Ratto	Director (non-executive)	2023	Crédit Agricole Italia S.p.A. – Deputy General Manager Retail and Digital
A. M. Guirchoux ...	Director (non-executive)	2023	CA Consumer Finance – Group Automotive and Mobility Officer
S. Lazarevitch.....	Independent Director (non-executive)	2023	Independent Director of Aubay and CIFD (holding of Groupe Crédit Immobilier)
P. De Vincentiis.....	Independent Director (non-executive)	2017	Full professor of Banking and Finance, University of Torino, Italy

The business address of each member of the board of directors is Corso Orbassano 367, 10137 Turin, Italy. Of the ten directors, two members have the requirements of independence.

The Chief Executive Officer (**CEO**) is responsible for the day-to-day management of the Company, within the limits of the powers delegated to him by the board of directors.”

On page 121 of the Base Prospectus, the following wording is inserted at the end of the sub-paragraph “*Italian anti-trust authority*” in paragraph “*10. Regulatory and Legal Proceedings*” in the “*Description of CA Auto Bank*” section:

“On 17 July 2024 the first court hearing took place and it was decided to not to discuss the suspension and to set a further hearing on the merits as soon as it had been requested in the alternative. The hearing is expected in fall.”

On page 122 of the Base Prospectus, the following sub-paragraph is inserted at the end of the paragraph entitled “*11. Recent Developments*” in the “*Description of CA Auto Bank*” section:

“In June 2024, CA Auto Bank priced two €250,000,000 tranches of senior non-preferred notes (for a total amount of €500,000,000) with settlement dates falling in June and July. The tranches have a maturity of 2.25 years, callable 1.25, and 3.25 years, callable after 2.25. Both tranches have been entirely subscribed by Crédit Agricole Consumer Finance and provide CA Auto Bank with an additional layer of bail-in eligible liabilities. As of the date of this Base Prospectus, the total outstanding of senior non-preferred debt amounts to €950,000,000.”

UPDATE OF THE “REGULATORY ASPECTS” OF THE BASE PROSPECTUS

On page 123 of the Base Prospectus, the paragraph entitled “*Basel III and the CRD IV Package*” in the “*Regulatory Aspects*” section is hereby amended as set out below:

“The rules applicable to banks and other entities in banking groups are mainly provided by implementation of measures consistent with the regulatory framework set out by the Basel Committee on Banking Supervision (the **Basel Committee**) and are aimed at preserving their stability and solidity and limiting their risk exposure.

The Basel III framework has been implemented in the EU through Directive No. 2013/36/EU of the European Parliament and of the Council of the European Union of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, as subsequently amended, (the **CRD IV Directive**) and Regulation (EU) No. 575/2013 of the European Parliament and of the Council of the European Union of 26 June 2013 on prudential requirements for credit institutions and investment firms, as subsequently amended, (the **CRR** and together with the CRD IV Directive, the **CRD IV Package**), subsequently amended by Directive (EU) 2019/878 (**CRD V**) and Regulation (EU) 2019/876 (**CRR II** and together with the CRD V, the **CRD V Package**). The CRD IV, as amended by the CRD V, is commonly referred to as the **CRD** and the CRR, as amended by the CRR II, is commonly known as **CRR**.

National options and discretions under the CRD IV Package that were previously only exercised by national competent authorities, are now exercised by the Single Supervisory Mechanism (**SSM**) in a largely harmonised manner throughout the European banking union. In this respect, on 14 March 2016, the ECB adopted Regulation (EU) No. 2016/445 on the exercise of options and discretions. Depending on the manner in which these options and discretions were exercised by the national competent authorities and on the manner in which the SSM will exercise them in the future, additional/lower capital requirements may result.

Full implementation began on 1 January 2014, with particular elements being phased in over a period of time (as of 1 January 2014 the requirements are now almost fully effective although some minor transitional provisions provide for phase-in until 2024) but it is possible that in practice implementation under national laws be delayed.

In Italy, the CRD IV Directive was implemented by Legislative Decree no. 72 of 12 May 2015, which entered into force on 27 June 2015 and introduced measures dealing with, *inter alia*, the following aspects of the CRD IV Directive:

- (i) proposed acquirers of credit institutions’ holdings, shareholders and members of the management body requirements (Articles 22, 23, and 91 of the CRD IV Directive);
- (ii) competent authorities’ powers to intervene in cases of crisis management (Articles 102 and 104 of the CRD IV Directive);
- (iii) reporting of potential or actual breaches of national provisions (so called whistleblowing, (Article 71 of the CRD IV Directive); and
- (iv) administrative penalties and measures (Articles 64 and 65 of the CRD IV Directive).

Moreover, the Bank of Italy published specific supervisory regulations on banks in December 2013 (Circular of the Bank of Italy No. 285 of 17 December 2013 (the **Circular**)) which came into force on 1 January 2014, implementing the CRD IV Package and then the CRD V Package, and setting out additional local prudential rules. The Circular has been constantly updated since coming into force, the last update being the 49th update published on 23 July 2024 aligning the domestic framework with the

changes introduced at an European level as to the leverage ratio requirements applicable to the G-SIIs and the related requirements in terms of restrictions on distributions as laid down by the CRD V. The CRD and the CRR are also supplemented in Italy by technical rules published through delegated regulations of the European Council and guidelines of the EBA.

As part of the CRD IV Package, certain transitional arrangements as implemented by the Circular have been gradually phased out.

The transitional arrangements which provide for the regulatory capital recognition of outstanding instruments which qualified as Tier 1 and Tier 2 capital instruments under the framework which the CRD IV Package replaced but which no longer meet the minimum criteria under the CRD IV Package have been gradually phased out.”

On page 124 of the Base Prospectus, the paragraph entitled “*Capital Requirements*” in the “*Regulatory Aspects*” section is hereby amended as set out below:

“According to Article 92 of the CRR (as defined below), banks are required to comply with a minimum Common Equity Tier 1 (**CET1**) capital ratio of 4.5 per cent. of risk weighted assets, a minimum Tier 1 Capital ratio of 6 per cent. of risk weighted assets, a minimum Total Capital Ratio of 8 per cent. of risk weighted assets and a Leverage Ratio of 3 per cent.. These minimum ratios are complemented by capital buffers to be met with CET1 capital. As at 31 December 2023, these capital buffers were as follows:

- Capital conservation buffer: set at 2.5 per cent. of risk weighted assets and has applied to CA Auto Bank from 1 January 2019 (pursuant to Article 129 of the CRD V and Part I, Title II, Chapter I, Section II of the Circular);
- Counter-cyclical capital buffer: the counter-cyclical capital buffers are set by the relevant competent authority at between 0% - 2.5% of credit risk exposure towards counterparties in each of the home Member State, other Member State and third countries (but may be set higher than 2.5% where the competent authority considers that the conditions in the relevant Member State justify this) with gradual introduction from 1 January 2016 and applying temporarily in the periods when the relevant national authorities judge the credit growth excessive (pursuant to Articles 130 and 136 of the CRD IV and Part I, Title II, Chapter I, Section III of the Circular). As of 31 December 2023 the specific counter-cyclical capital rate of the CA Auto Bank Group amounted to 0.623 per cent. With reference to the exposures towards Italian counterparties, the Bank of Italy has set, and decided to maintain, the rate equal to 0 per cent. for the third quarter of 2024;
- Capital buffers for global systemically important institutions (**G-SIIs**): set as an “additional loss absorbency” buffer varying depending on the sub-categories on which G-SIIs are divided into, according to specific indicators (size, interconnectedness, substitutability of the services provided, global cross-border activity and complexity). The lowest sub-category shall be assigned a G- SII buffer of 1.0 and the buffer assigned to each sub-category shall increase in gradients of at least 0.5 per cent. of risk weighted assets. It was subject to phasing in from 1 January 2016 (Part I, Title II, Chapter I, Section IV, paragraph 1 of the Circular), and became fully effective on 1 January 2019; and
- Capital buffers for other systemically important institutions (**O-SIIs**): up to 3.0 per cent. of risk weighted assets as set by the relevant competent authority (and must be reviewed at least annually), to compensate for the higher risk that such banks represent to the domestic financial system (Article 131 of the CRD IV Directive and Part I, Title II, Chapter I, Section IV, paragraph 2 of the Circular).

CA Auto Bank is not currently included in the list of financial institutions of global systemic importance published on 27 November 2023 by the Financial Stability Board (**FSB**). The Bank of Italy has not included CA Auto Bank among the systemically important banks at a domestic level (O-SII) for the year 2024. However, the Crédit Agricole Group was designated as a G-SII since 2018.

In addition to the above listed capital buffers, under Article 133 of the CRD V, as implemented by Part I, Title II, Chapter 1, Section V of the Circular, the Bank of Italy may introduce a systemic risk buffer in order to prevent and mitigate long term non-cyclical systemic or macro-prudential risks not covered by the other capital requirements set out in the CRD V Package, as amended by the CRD V Package.

Following a public consultation procedure, on 26 April 2024, the Bank of Italy decided to apply a SyRB of 1.0 per cent. of exposure towards Italian residents weighted for credit and counterparty credit risks. The SyRB applies to all banks and banking group authorised in Italy. The buffer rate is imposed gradually: 0.5 per cent. by 31 December 2024, and 1 per cent. (full rate) by 30 June 2025. The SyRB is to be applied at the highest level of consolidation for the banking group.

Failure to comply with the capital requirements described above (**Combined Buffer Requirement**) may trigger restrictions on distributions by reference to the so-called Maximum Distributable Amounts (**MDA**) and the need for the bank to adopt a capital conservation plan in respect of remedial actions (Articles 141 to 142 of the CRD V and Part I, Title II, Chapter I, Section VI of the Circular).

In addition, CA Auto Bank is subject to the Pillar 2 requirements for banks imposed under the CRD IV Package, as further amended by the CRD V Package, which will be impacted, on an on-going basis, by the Supervisory Review and Evaluation Process (**SREP**). The SREP is aimed at ensuring that institutions have adequate arrangements and strategies in place to maintain liquidity and capital, including in particular the amounts, types and distribution of internal capital commensurate to their risk profile, in order to ensure sound management and coverage of the risks to which they are or might be exposed, including those revealed by stress testing, as well as risks the institution may pose to the financial system.

The quantum of any Pillar 2 requirement imposed on a bank, the type of capital which it must apply to meeting such capital requirements, and whether the Pillar 2 requirement is “stacked” below the capital buffers (i.e. the bank’s capital resources must first be applied to meeting the Pillar 2 requirements in full before capital can be applied to meeting the capital buffers) or “stacked” above the capital buffers (i.e. the bank’s capital resources can be applied to meeting the capital buffers in priority to the Pillar 2 requirement) may all impact a bank’s ability to comply with the Combined Buffer Requirement.

In its publication of the 2016 EU-wide stress test results on 29 July 2016, the EBA has recognised a distinction between “Pillar 2 requirements” (stacked below the capital buffers) and “Pillar 2 capital guidance” (stacked above the capital buffers). With respect to Pillar 2 capital guidance, the publication stated that, in response to the stress test results, competent authorities may (among other things) consider “setting capital guidance, above the combined buffer requirement”. Competent authorities have remedial tools if an institution refuses to follow such guidance. The ECB published a set of “Frequently asked questions on the 2016 EU-wide stress test”, confirming this distinction between Pillar 2 requirements and Pillar 2 capital guidance and noting that “Under the stacking order, banks facing losses will first fail to fulfil their Pillar 2 capital guidance. In case of further losses, they would next breach the combined buffers, then Pillar 2 requirements, and finally Pillar 1 requirements. The distinction between “Pillar 2 requirements” and “Pillar 2 capital guidance” has been codified by the CRD V. Whereas the former are mandatory requirements imposed by supervisors to address risks not covered or not sufficiently covered by Pillar 1 and buffer capital requirements, the latter refers to the possibility for competent authorities to communicate to an institution their expectations for such institution to hold capital in excess of its capital requirements (Pillar 1 and Pillar 2) and combined buffer requirements in order to cope with forward-looking and remote situations. Under the CRD V, only Pillar 2 requirements,

and not Pillar 2 capital guidance, will be relevant in determining whether an institution is meeting its Combined Buffer Requirement.

Non-compliance with Pillar 2 capital guidance does not amount to a failure to comply with capital requirements, but should be considered as a "pre alarm warning" to be used in a bank's risk management process. If capital levels go below Pillar 2 capital guidance, the relevant supervisory authorities, which should be promptly informed in detail by the bank of the reasons of the failure to comply with the Pillar 2 capital guidance, will take into consideration appropriate and proportional measures on a case by case basis (including, by way of example, the possibility of implementing a plan aimed at restoring compliance with the capital requirements including capital strengthening requirements).

With update No. 39 of 13 July 2022, the Circular was amended in order to align its provisions with Articles 104 to 104c of the CRD IV Directive, as amended by the CRD V. In particular, the amendments introduced to Part I, Chapter 1, Title III of the Circular provide for, *inter alia*, the introduction of:

- (i) A clear differentiation between components of Pillar 2 capital requirements (**P2R**) estimated from an ordinary perspective and the Pillar 2 Guidance determined from a stressed perspective which supervisory authorities may require banks to hold; and
- (ii) The possibility for supervisory authorities to require additional capital in the presence of excessive leverage risk, under both ordinary and stressed conditions (P2R and Leverage Ratio and Pillar 2 Guidance Leverage Ratio).

On 18 March 2022, the EBA published its final report on revised Guidelines on common procedures and methodologies for SREP and supervisory stress testing. The EBA has developed the revised SREP Guidelines in order to implement the changes brought by CRD V and CRR II (as defined below). In particular, the revision of the Guidelines, while keeping the original framework with the main SREP elements intact, reflects, among other things, the introduction of the assessment of the risk of excessive leverage and the revision of the methodology for the determination of the Pillar 2 Guidance. Additional relevant changes are related to the enhancement of the principle of proportionality and the encouragement of cooperation among prudential supervisory authorities and AML/CFT supervisors, as well as resolution authorities. The Bank of Italy notified the EBA that full compliance with the guidelines was ensured by the revision of the Circular undertaken through update no. 40 of 3 November 2022. The guidelines apply from 1 January 2023.”

On pages 128-129 of the Base Prospectus, the paragraph entitled “*The 2021 Banking Package*” of the section headed “*Regulatory Aspects*” is hereby amended as set out below:

On 27 October 2021, the European Commission adopted a review of the CRD V Package. These revised rules aimed to ensure that EU banks become more resilient to potential future economic shocks, while contributing to Europe’s recovery from the COVID-19 pandemic and the transition to climate neutrality (the **2021 Banking Package**).

The 2021 Banking Package were intended to finalise the implementation of the Basel III agreement in the EU, marking the final step in the reform of the banking rules. The review consisted of the following legislative elements:

- (i) a legislative proposal to amend the CRD V;
- (ii) a legislative proposal to amend the CRR II; and
- (iii) a separate legislative proposal to amend the CRR II in the area of resolution (the so-called “daisy chain” proposal).

In particular, the 2021 Banking Package consists of the following key parts:

(a) Implementation of the Basel III to strengthening resilience to economic shock

The 2021 Banking Package aimed to ensure that internal model used by banks to calculate their capital requirements do not underestimate risks, thereby ensuring that the capital required to cover those risks is sufficient.

(b) Sustainability to contribute to the green transition

The 2021 Banking Package will require banks to systematically identify, disclose and manage ESG risks as part of their risk management. This will include regular climate stress testing by both supervisors and banks as competent authorities will have to include ESG risks assessment in their periodic supervisory reviews while banks will be asked to disclose the degree to which they are exposed to ESG risk.

Following a Discussion Paper launched in May 2022, on 12 October 2023, the EBA published a report on the role of environmental and social risks in the prudential framework of credit institutions and investment firms. Taking a risk-based approach, the report recommends targeted enhancements to accelerate the integration of environmental and social risks across the Pillar I. In particular, the EBA proposed to: (i) including environmental risk as part of stress testing programmes under both the internal ratings-based (IRB) and the internal model approaches (IMA) under the Fundamental Review of the Trading Book; (ii) encourage inclusion of environmental and social factors as part of external assessment by the credit rating agencies; (iii) encourage the inclusion of environmental and social factors as part of the due diligence requirements and evaluation of immovable property collateral; (iv) require institutions to identify whether environmental and social factors constitute triggers of operational risk losses; and (v) progressively develop environment-related concentration risk metrics as part of supervisory reporting.

(c) Sound management of EU banks

The 2021 Banking Package provides stronger tools for supervisory overseeing EU banks, establishing a clear, robust and balanced “fit and proper” set of rules, where supervisors assess whether senior staff have the requisite skills and knowledge for managing a bank.

On 19 June 2024, Regulation No. (EU) 2024/1623 amending Regulation 2013/575/EU as regards requirements for credit risk, credit valuation adjustment risk, operational risk, market risk and the output floor (the **CRR III**) and Directive No. (EU) 2024/1619 amending Directive 2013/36/EU as regards supervisory powers, sanctions, third-country branches and environmental, social and governance risks (the **CRD VI**) were published on the Official Journal of the European Union and entered into force on 9 July 2024. Save for certain provisions, the majority of the CRR III provisions will be applied starting from 1 January 2025, with certain elements of the regulation phasing in over the years. Member States shall adopt and publish the CRD VI implementing measures by 10 January 2026 and they shall apply those provisions from one day after its transposition date (i.e. 11 January 2026). Moreover, on 24 July 2024, the European Commission adopted a delegate act to postpone by one year (i.e. until 1 January 2026) the date of the part of the Basel III standards concerning the Fundamental Review of the Trading Book. This delegated act is currently subject to the scrutiny of the European Parliament and Council for a period of 3 months.”

UPDATE OF THE “GENERAL INFORMATION” SECTION OF THE BASE PROSPECTUS

On page 161 of the Base Prospectus, the paragraph entitled “*Significant or Material Change*” in the “*General Information*” section is hereby amended as set out below:

“Significant or Material Change

There has been no significant change in the financial performance or financial position of CA Auto Bank or the CA Auto Bank Group since 30 June 2024 and there has been no material adverse change in the prospects of CA Auto Bank or the CA Auto Bank Group since 31 December 2023.”

GENERAL

To the extent that there is any inconsistency between (a) any statement in this Supplement and (b) any other statement in or incorporated by reference in the Base Prospectus, the statements in (a) above will prevail.

Save as disclosed in this Supplement, there has been no other significant new factor, material mistake or material inaccuracy relating to information included in the Base Prospectus since the publication of the Base Prospectus.