

FIRST SUPPLEMENT DATED 7 AUGUST 2020 TO THE BASE PROSPECTUS DATED 12 JUNE 2020



FCA BANK S.p.A.
(incorporated with limited liability in the Republic of Italy)

acting through

FCA BANK S.p.A., IRISH BRANCH

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

This first Supplement (the **Supplement**) to the Base Prospectus dated 12 June 2020 (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 FCA 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 the “*Documents Incorporated by Reference*” section on page 39 of the Base Prospectus to incorporate by reference some sections of FCA Bank’s unaudited consolidated interim financial report (including limited review report) as at and for the six month period ended 30 June 2020, (ii) update the paragraph entitled “7. *Organisational Structure*” in the “*Description of FCA Bank*” section on page 105 of the Base Prospectus, (iii) update the sub-paragraph entitled “8.1 *Board of Directors*” under paragraph “*Administrative, Management and Supervisory Bodies*” in the “*Description of FCA Bank*” section on pages 106 and 107 of the Base Prospectus, (iv) update the sub-paragraph entitled “8.3 *Committees and Meetings*” under paragraph “*Administrative, Management and Supervisory Bodies*” in the “*Description of FCA Bank*” section on pages 107 to 109 of the Base Prospectus, (v) update the paragraph entitled “10. *Recent Developments*”

in the “*Description of FCA Bank*” section on pages 111 to 113 of the Base Prospectus and (vi) update the paragraph entitled “*Significant or Material Change*” in the “*General Information*” section on page 145 of the Base Prospectus.

DOCUMENTS INCORPORATED BY REFERENCE

Issuer Financial Report

On 24 July 2020, FCA Bank’s board of directors approved the unaudited consolidated interim financial report of FCA Bank for the six months ended 30 June 2020, which was subjected to a limited review by Ernst & Young S.p.A. (the **Interim Financial Report**).

The table below sets out the relevant page references for the sections of the Interim Financial Report.

By virtue of this Supplement, the sections of the Interim Financial Report identified in the table below are incorporated by reference in, and form part of, the Base Prospectus. Any non-incorporated parts of the Interim Financial Report are either deemed not relevant for an investor or are otherwise covered elsewhere in this Supplement.

At page 39 under the section headed “*Documents Incorporated by Reference*”, first paragraph, a new letter (d) is added as follows:

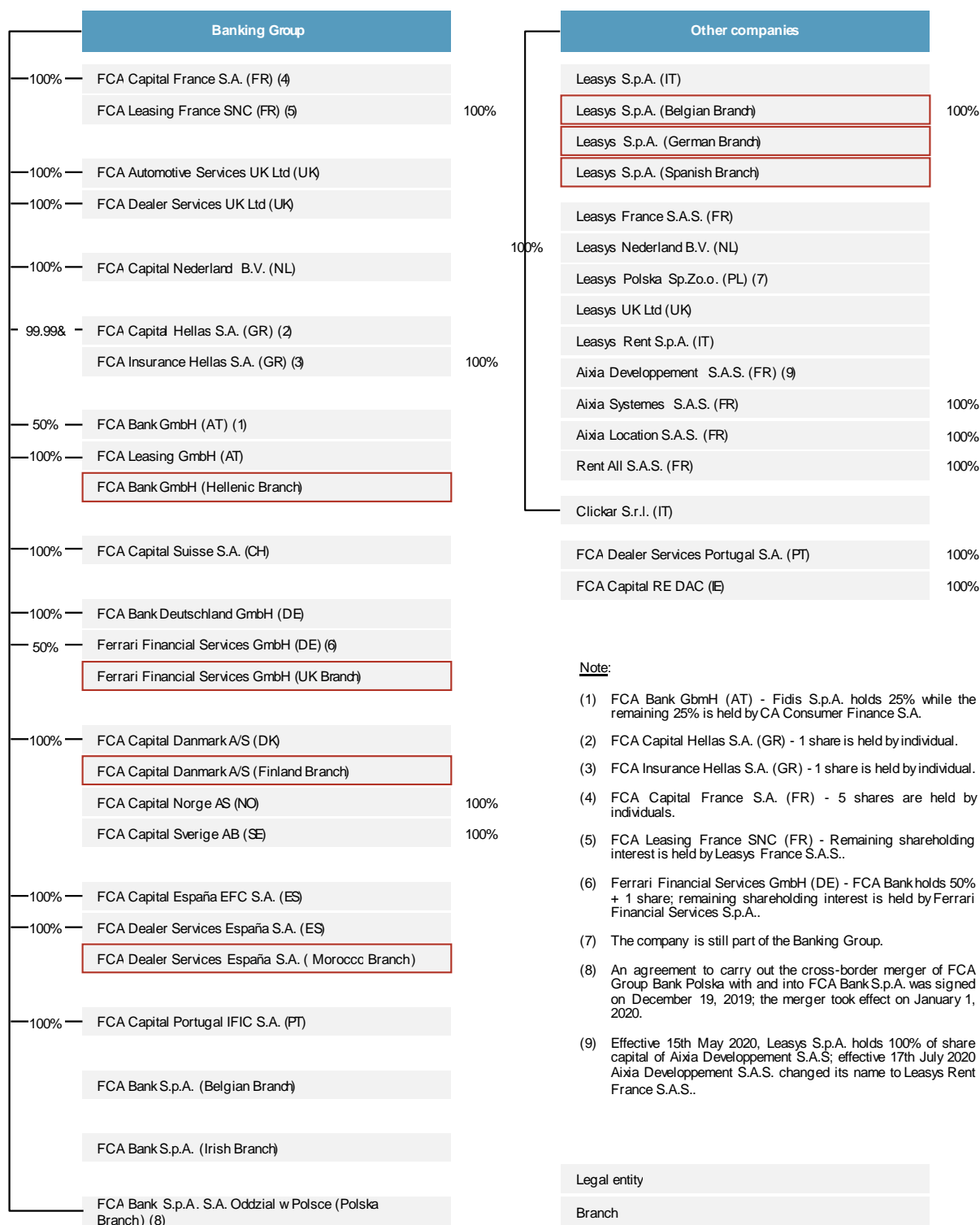
“(d) the unaudited consolidated interim financial report of FCA Bank for the six months ended 30 June 2020, together with the auditors’ limited review report thereon (which can be found on the following website: <https://www.fcabankgroup.com/en/investor-relations/statements-and-reports>), including the information set out therein at the following pages in particular:

Consolidated Statement of Financial Position	Pages 105 - 106
Consolidated Income Statement	Page 107
Consolidated Statement of Comprehensive Income	Page 108
Consolidated Statement of Changes in Equity	Pages 109 - 110
Consolidated Statement of Cash Flows	Pages 111 - 112
Notes to the Consolidated Financial Statements	Pages 113 - 147
Independent Auditors’ Report on the Consolidated Financial Statements	Page 149”

UPDATE OF THE “DESCRIPTION OF FCA BANK” SECTION OF THE BASE PROSPECTUS

On page 105 of the Base Prospectus, the paragraph entitled “*7. Organisational Structure*” in the “*Description of FCA Bank*” section is hereby deleted in its entirety and replaced as set out below:

“The diagram below sets out the structure of the FCA Bank Group as at the date hereof.



On pages 106 and 107 of the Base Prospectus, the sub-paragraph “8.1 Board of Directors” under the paragraph entitled “Administrative, Management and Supervisory Bodies” in the “Description of FCA Bank” section is hereby deleted in its entirety and replaced as set out below.

“8.1 Board of Directors

The table below sets out certain information regarding the members of the board of directors of FCA Bank as at the date of this Base Prospectus.

<u>Name</u>	<u>Position</u>	<u>Year first appointed to the Board of Directors</u>	<u>Principal Offices Outside of the FCA Bank Group</u>
S. Priami	Chairman of the Board	2020	Deputy Managing Director of Crédit Agricole S.A. for Specialized Financial Services; CA Consumer Finance SA – Chief Executive Officer; Member of the Comité Exécutif and of the Comité de Direction of Crédit Agricole; Agos Ducato S.p.A – Chairman of the Board
G. Carelli	Chief Executive Officer and General Manager	2014	
V. Wanquet.....	Director (non-executive)	2017	CA Consumer Finance SA – Group Chief Financial Officer, Group Credit Officer, Responsible Central Secretariat and Legal & Public Affairs and Member of the Group Executive Committee
Olivier Guilhamon	Director (non-executive)	2019	Crédit Agricole Italia S.p.A., Deputy General Manager; Crédit Agricole FriuliAdria S.p.A. – Board Member
R.K. Palmer	Director (non-executive)	2008	Fiat Chrysler Automobiles Group – Chief Financial Officer
R. Bouligny	Director (non-executive)	2020	CA Consumer Finance SA – Head of International Automotive Partnerships
D. Mele	Director (non-executive)	2018	FCA – Deputy Chief Operating Officer EMEA Region

<u>Name</u>	<u>Position</u>	<u>Year first appointed to the Board of Directors</u>	<u>Principal Offices Outside of the FCA Bank Group</u>
A. Faina.....	Director (non-executive)	2014	FCA – Head of Group Financial Services; Fidis S.p.A. – Chief Executive Officer and General Manager
A. Giorio.....	Independent Director (non-executive)	2014	AUXE Partners s.r.l. – Risk & Capital Management Advisory, Managing Director
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 G. Agnelli, 200, 10135 Turin, Italy. Of the ten directors, five members (of which one being independent) were appointed from the list of candidates put forward by the shareholder FCA Italy and five members (of which one being independent) were appointed from the list of candidates put forward by the shareholder Crédit Agricole Consumer Finance.

The Chief Executive Officer (**CEO**) is appointed by the board of directors from the list of directors put forward by the shareholder FCA Italy and is responsible for the day-to-day management of the JV, within the limits of the powers delegated to him by the board of directors. The Chief Financial Officer (**CFO**) is appointed by the board of directors following designation by the shareholder Crédit Agricole Consumer Finance.”

On pages 107 to 109 of the Base Prospectus, the sub-paragraph “8.3 *Committees and Meetings*” under the paragraph entitled “*Administrative, Management and Supervisory Bodies*” in the “*Description of FCA Bank*” section is hereby deleted in its entirety and replaced as set out below.

“8.3 Committees and Meetings

In order to ensure continuous monitoring of business developments and effective decision-making, various committees and “meetings”, which meet or take place (as the case may be) on a regular basis, have been established. In particular:

- Board Committees: in accordance with the Italian banking legislation and rules, certain Board committees have been set up to support the Board of Directors, the company body with strategic supervision responsibility;
- Committees: the role of the committees is to facilitate the transmission of information between FCA Bank and its shareholders and the decision-making process; and
- “Meetings”: the meetings are designed to ensure the correct internal functioning of the FCA Bank Group’s main activities.

The table below sets out certain information regarding the current structure of the Committees:

<i>Name</i>	<i>Permanent Members</i>
Advisory Board.....	Chairman of the Board of Directors, CEO, CFO, shareholders' representatives (equally represented), Financial Planning & Analysis Director (secretary)
Board Executive Credit Committee	Two Board of Directors representatives of each shareholder (including the CEO) and Chief Credit Officer (secretary with no voting rights)
Credit Committee	CEO, CFO, Chief Credit Officer (no voting rights), shareholders' representatives (equally represented), Corporate Credit Director (no voting rights), Head of Risk & Permanent Control (no voting rights)
Finance & Control Committee.....	CFO, Shareholders' representatives (equally represented), Treasury Director, Tax Director, CAO, Financial Planning & Analysis Director, the ALM & Finance Projects Director
Internal Control Committee.....	CEO, CFO, Head of Risk & Permanent Control, Head of Compliance & Supervisory Relations, Head of Internal Audit (secretary), Head of Legal Affairs & Procurement, Shareholders' representatives (equally represented)
Nomination Committee	Three non-executive Directors (of which two Independent Directors), each one with voting right; another non-executive Director, appointed among the non-executive Directors nominated upon designation of the shareholder that did not designate the non-executive Director having right of vote, is a permanent participant without voting right; chaired by one independent Director
Remuneration Committee	Three non-executive Directors (of which two Independent Directors), each one with voting right; another non-executive Director, appointed

among the non-executive Directors nominated upon designation of the shareholder that did not designate the non-executive Director having right of vote, is a permanent participant without voting right; chaired by one independent Director

Risk & Audit Committee Three Members, all non-executive Directors, of which two Independent Directors and one non-executive Director. One of the Independent Directors acts as the Chairman

Another non-executive Director is a permanent participant, appointed among the non-executive Directors nominated upon designation of the shareholder that did not designate the non-executive Director being a Member

Furthermore, at least one member of the Board of Statutory auditors participates in the work of the Committee. The Committee can invite from time to time the CEO, Managers of FCA Bank Group or Shareholders representatives to present specific items in the meeting.

Secretary: Head of Internal Audit”

On page 113 of the Base Prospectus, the following sub-paragraph is added under the paragraph “10. *Recent Developments*” under the “*Description of FCA Bank*” section:

“Lotus Partnership and Groupe Pilote

On 16 July 2020, FCA Bank announced the partnership with Lotus to offer attractive range of sports car finance packages. The agreement sees FCA Bank providing financial services and support for the Lotus European retail network. The contract initially covers 10 European markets, which are Austria, Belgium, France, Germany, Italy, Luxembourg, Netherlands, Spain, Switzerland and the UK. It will be phased in by market between July and September. Other countries will follow in due course.

In 2020 FCA Bank entered into a new partnership with Groupe Pilote, leader in camper van and caravan industry. The partnership involves several brands, including Pilote, Bavaria, Le Voyageur, Mooveo and Frankia and will allow FCA Bank to further penetrate the leisure vehicles financing market across Europe.”

On pages 112 and 113 of the Base Prospectus, the sub-paragraph headed “*COVID-19 Pandemic*” under the paragraph “*10. Recent Developments*” under the “*Description of FCA Bank*” section shall be deemed deleted and replaced with the following paragraph:

“In March 2020 the World Health Organization declared COVID–19 a pandemic. Governments worldwide have implemented measures to contain the spread of the virus and address potential closing of businesses and the increase in unemployment by adopting immediate supporting measures which have included the postponement of tax payments, the provision of bank credit guarantees, subsidies to households and the expansion of welfare programs. However, there is uncertainty regarding a return of economic activities to pre-crisis levels. As a result of lockdown measures implemented in several jurisdictions and the global economic slowdown caused by the pandemic, in the first half of 2020 the FCA Bank Group’s new business volumes decreased by 37%, with the FCA Bank Group’s net profit down 5.5%, compared to the 2019 half-year results. The FCA Bank Group’s cost of risk slightly increased to 0.30%. In response to the COVID-19 emergency, FCA Bank has adopted several measures to ensure business continuity, reduce the effect of the lockdown and preserve financial stability. In particular, in the first half of 2020, FCA Bank Group has been able to implement successful actions in order to curb operating costs. However, given the continuing uncertainty on the COVID-19 impact on the general economy and on the performance of the automotive sector and considering that FCA Bank Group’s business is mainly linked to the performance of the automotive sector, the FCA Bank Group is continuously monitoring the situation and assessing the potential impacts on its business, including among other factors, profitability, levels of expected credit losses, new business volumes and availability of funding and liquidity.

There are also a range of operational risks which could have a material impact on the FCA Bank Group, including among other factors, the health and safety of employees and the effectiveness of remote working.

As a result of the evolving situation, the impact of the pandemic on FCA Bank's business cannot be reliably estimated as at the date of this Base Prospectus.”

SIGNIFICANT OR MATERIAL CHANGE

The paragraph headed “*Significant or Material Change*” in the “*General Information*” section which appears on page 145 of the Base Prospectus shall be deemed deleted and replaced with the following paragraph:

“There has been no significant change in the financial performance or financial position of FCA Bank or the FCA Bank Group since 30 June 2020 and there has been no material adverse change in the financial position or prospects of FCA Bank or the FCA Bank Group since 31 December 2019. However, as disclosed in paragraph “*10. Recent Developments*” at pages 111 to 113 of this Base Prospectus, the COVID-19 pandemic may have a significant negative impact on the business, financial condition and results of operations of the FCA Bank Group although it is not possible as at the date hereof to quantify the financial impact.”

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.