



BNP PARIBAS

26 June 2020

BNP Paribas S.A.
Paris, France

SUPPLEMENT NO. 1

PURSUANT TO ARTICLE 23 REGULATION (EU) 2017/1129 ("**PROSPECTUS REGULATION**")
(THE "**SUPPLEMENT**")

TO THE

REGISTRATION DOCUMENT

OF 22 APRIL 2020

(the "**Registration Document**")

This Supplement should be read in conjunction with the Registration Document of 22 April 2020, which has been approved by the Bundesanstalt für Finanzdienstleistungsaufsicht ("**BaFin**") as competent authority.

This Supplement constitutes a supplement to the Registration Document pursuant to Article 23 of the Prospectus Regulation for the purpose of updating certain information as described in the following and contained in the Registration Document.

During the validity of this Registration Document and as long as securities issued in connection with the Registration Document are publicly offered, copies of this Supplement and the Registration Document including any supplements thereto are freely available at BNPP's head office: 16, boulevard des Italiens, 75009 Paris, France.

In addition the prospectuses and the Supplement will be published on the website:

www.derivate.bnpparibas.com/service/basisprospekte for investors in Germany, in Austria and in Luxembourg.

New factors resulting in this supplement:

1. *Publication of the First Quarter 2020 Results of the guarantor BNP Paribas S.A. on the homepage <https://invest.bnpparibas.com/en/results>.*

The new factor occurred:

7 May 2020 in the morning

2. *Publication of the Second Amendment (of May 5th 2020) to the BNPP 2019 Universal Registration Document on the homepage <https://invest.bnpparibas.com/en/registration-documents-annual-financial-reports>.*

The new factor occurred:

7 May 2020 in the morning

1. In the Table of Contents the new item **13.3 Second Amendment to the BNPP 2019 Universal Registration Document (in English)** shall be added.

2. In Chapter 1 **RISK FACTORS**, the last paragraph before the header **1.1 Credit risks, counterparty risks and securitization risks in the banking book** shall be deleted and replaced as follows:

"The risks specific to the BNPP Group's business, as presented below under 7 main categories pursuant to Article 16 of the Prospectus Regulation, have, for the purposes of this Registration Document in accordance with the Prospectus Regulation in connection with Article 7 and Annex 6 (registration document for retail non-equity securities) and Article 8 and Annex 7 (registration document for wholesale non-equity securities) of the Prospectus Delegated Regulation, been extracted from BNPP's 2019 Universal Registration Document (in English) including the consolidated financial statements for the year ended 31 December 2019 and the statutory auditors' report thereon (*Document de référence et rapport financier annuel*), filed on 3 March 2020 with the French *Autorité des marchés financiers* ("**AMF**"), as supplemented by the First Amendment to the 2019 Universal Registration Document, filed with the AMF on 30 March 2020 and the Second Amendment to the 2019 Universal Registration Document, filed with the AMF on 5 May 2020."

3. In Chapter 1 **RISK FACTORS**, the text under the header **1.4.3 Risks regarding credit ratings of the BNPP Group being downgraded** shall be deleted and replaced as follows:

"Credit ratings have a significant impact on the BNPP liquidity. On 23 April 2020, Standard & Poor's confirmed the long term deposit and senior preferred rating at A+, and short term rating at A-1, with an outlook revised from stable to negative. On 30 March 2020, Fitch placed its AA - long-term deposits and senior preferred debt rating, and its F1+ short-term rating for the BNP Paribas SA on Rating Watch Negative. On 9 December 2019, Moody confirmed its long-term deposits and senior preferred debt rating as Aa3, and confirmed its short-term rating as P-1, with a stable outlook. On 12 July 2019, DBRS confirmed the BNP Paribas SA's senior preferred debt rating as AA (low), as well as its short-term rating as R-1(middle) with a stable outlook. A downgrade in the BNPP companies' credit rating could affect the liquidity and competitive position of the Group. It could also increase the BNPP's borrowing costs, limit access to the capital markets or trigger additional obligations under its covered bonds or under certain bilateral provisions in some trading, derivative or collateralized financing contacts.

In addition, the BNPP's cost of obtaining long term unsecured funding from market investors is also directly related to its credit spreads, which in turn depend to a certain extent on its credit ratings. Increases in credit spreads can significantly increase the BNPP's cost of funding. Changes in credit spreads are continuous, market driven, and subject at times to unpredictable

and highly volatile movements. Credit spreads are also influenced by market perceptions of the BNPP's creditworthiness. Furthermore, credit spreads may be influenced by movements in the cost to purchasers of credit default swaps referenced to the BNPP's debt obligations, which are influenced both by the credit quality of those obligations, and by a number of market factors that are beyond the control of the BNPP Group."

4. In **Chapter 1 RISK FACTORS**, the text under the header **1.7.1 Risks due to epidemics and pandemics, including the ongoing coronavirus (COVID-19) pandemic and their economic consequences** shall be deleted and replaced as follows:

"Since emerging in China in December 2019 a novel strain of the coronavirus (COVID-19) became a pandemic and spread globally, with a high concentration of cases in several countries in which the BNPP Group operates. Both the pandemic and government measures taken in response (border closings, travel restrictions, lockdown measures etc.) have had and will continue to have a major impact, both direct and indirect, on economic activity and financial markets globally. In particular, the sharp slowdowns of the economies in many regions as well as the reduction in global trade and commerce more generally have had and are likely to continue to have severe negative effects on global economic conditions as global production, investments, supply chains and consumer spending have been and continue to be affected.

In response to the adverse economic and market consequences of the pandemic, various governments and central banks have taken or announced measures to support the economy (loan guarantee schemes, tax payment deferrals, expanded unemployment coverage etc.) or to improve liquidity in the financial markets (increased asset purchases, funding facilities etc.). The BNPP Group has been channeling and continues to channel these measures to support customers in particular in the Domestic Markets' networks as well as through active participation in the French government loan guarantee program (retaining 10%-30% of the risk, depending on the borrower's size). No assurance can be given, however, that such measures will suffice to offset the negative effects of the pandemic on the economy regionally or globally, to mitigate regional or global recessions (which are now occurring or are generally forecast) or to stabilize financial markets fully and sustainably. The economic environment may well deteriorate further before beginning to improve.

The BNPP Group is exposed to risks from the pandemic and its economic and market consequences both due to its inherent general sensitivity, as a global financial institution, to macroeconomic and market conditions, as well as to specific implications, as described below.

The BNPP Group's results and financial condition could be adversely affected by reduced economic activity (including recessions) in its principal markets. The containment measures taken in several of the principal countries where the BNPP Group operates, in particular its domestic markets (France, Italy, Belgium & Luxembourg which collectively represent 43% of its total gross

credit exposures as at December 31, 2019), have significantly reduced economic activity to recessionary levels and a substantial prolongation or reinstatement of such measures would have a similar effect. The BNPP Group's results are affected by such measures due to reduced revenues and to deteriorated asset quality both generally and in specific sectors that are particularly affected. The sectors most adversely affected to date include the travel and tourism sectors; the BNPP Group's exposure to the aircraft sector (airlines, lessors...) and to the tourism sector each represented approximately 1% of its total gross credit exposures as at December 31, 2019. The non-food retail sector has been affected by the lockdown measures; this sector represents slightly above 1% of the BNPP Group's total gross credit exposures as of December 31, 2019. The transport & storage (excluding shipping) sector, which represents approximately 3% of the BNPP Group's total gross credit exposures as of December 31, 2019, has been affected by the lockdown measures and the disruption in global trade. The oil and gas sector has been affected by a concomitant decrease in demand resulting from the pandemic and increase in supply due to the temporary unraveling of the OPEC/Russia production cooperation; this sector represented approximately 2.2% of the BNPP Group's total gross credit exposures as of December 31, 2019. The BNPP Group's results and financial condition could be adversely affected to the extent that the counterparties to whom it has exposure in these sectors (and more generally, to the extent the negative effect on credit quality is more widespread) could be materially and adversely affected, resulting in particular in an increase in the BNPP Group's cost of risk.

An immediate financial effect of the health crisis is the impact on the BNPP Group's cost of risk reflecting macroeconomic anticipations based on several scenarios, in accordance with the set-up existing prior to the health crisis. In application of this framework, macroeconomic scenarios and in particular GDP assumptions and forecasts are a key input in the calculation of the cost of risk, and the health crisis has led, among other things, to a weakening in GDP assumptions in many of our markets. The cost of risk calculation also incorporates the specific features of the dynamics of the health crisis on credit and counterparty risk and in particular the impact of lockdown measures on economic activity and the effects of government support measures and authorities' decisions. It finally includes an ex-ante sector component based on a review of several sensitive sectors (hotels, tourism and leisure; non-food retail (excluding home furnishings & e-commerce), transport & logistics, and oil & gas). All these elements contributed to the substantial increase in the BNPP Group's cost of risk in the first quarter of 2020, and could likewise contribute to continued high cost of risk in the next quarters, depending on macroeconomic scenarios and, in particular, the current uncertainties around the course of the pandemic and its economic consequences going forward. Moreover, the impact of the pandemic on the long-term prospects of businesses in the affected sectors and more generally is uncertain and may lead to significant charges on specific exposures, which may not be fully captured by modelling techniques. Finally, the BNPP Group's exposure to increased cost of risk could result from its participation in government-guaranteed loan programs (given its residual exposure) and the existence of forbearance periods limiting credit-protection measures (such as payment acceleration) under health emergency legislation in various markets.

The BNPP Group's results and financial condition could also be negatively affected by adverse trends in financial markets to the extent that the pandemic initially led in particular to extreme market conditions (market volatility spikes, sharp drop in equity markets, tension on spreads, specific asset markets on hold...), with market volatility continuing. This situation has had and could continue to have an adverse impact on the BNPP Group's market activities, which accounted for 12% of its consolidated revenues in 2019, resulting in trading or other market-related losses, including additions to valuation reserves and counterparty risk provisions. This extreme market volatility has been and could continue to be increased by the decisions taken by authorities in particular in Europe, such as restrictions on short-selling and dividend distributions. Moreover, certain of the BNPP Group's investment portfolios (e.g. in its insurance subsidiaries) are accounted for on a mark to market basis and thus have been and could continue to be impacted by deteriorated market conditions.

Finally, the current health crisis could increase the probability and magnitude of various existing risks faced by the BNPP Group such as: i) pressure on revenues due in particular to (a) a further reduction in market interest rates and a likely prolongation of the low interest rate environment and (b) lower asset management inflows and hence revenues from fees and commissions; ii) increased risk of a ratings downgrade following the sector reviews announced by certain rating agencies; iii) deterioration in the BNPP Group's liquidity due to various factors including increased customer drawdowns and / or lower deposit balances and iv) higher risk weighted assets due to the deterioration of risk parameters hence affecting the BNPP Group's capital position.

Uncertainty as to the duration and extent of the pandemic's remaining course as well as the pace of emergence from lockdowns and loosening of mobility and other restrictions makes the overall impact on the economies of the BNPP Group's principal markets as well as the world economy difficult to predict. The extent to which the economic consequences of the pandemic will continue to affect the BNPP Group's results and financial condition will indeed depend largely on i) the timing and extent of a return to pre-pandemic lifestyles, business operations and economic interactions, (ii) the effects of the measures taken to date or future measures that may be taken by governments and central banks to attenuate the economic fallout of the pandemic and iii) the duration and extent of the pandemic's remaining course, including the prospect of additional waves and hence of a reinstatement of containment measures in the various markets where the BNPP Group operates. In addition, while central bank and government actions and support measures taken in response to the pandemic have to date and may well continue to help attenuate its adverse economic and market consequences, they have also issued and may issue additional restrictions or recommendations in respect of banks' actions (see in particular the recommendation issued by the European Central Bank on March 27, 2020). In particular they have limited and may continue to limit or seek to limit banks' flexibility in managing their business and taking action in relation to capital distribution and capital allocation. In this respect, the Bank announced on April 2, 2020 that its Board of Directors would propose to the annual shareholders' meeting to suspend the payment of the dividend originally proposed to be paid in respect of 2019

and to allocate the amount to reserves, with a potential decision to be taken after October 1, 2020 regarding a possible distribution of reserves to shareholders

All these consequences may adversely affect the BNPP Group's business, operations and financial condition."

5. In **Chapter 1 Risk Factors**, the text under the header **1.7.2 Risks of failure to implement BNPP's strategic plan** shall be deleted and replaced as follows:

"The BNPP Group announced a strategic plan for the 2017-2020 period on 7 February 2017. This plan contemplates a number of initiatives, including the implementation of new customer pathways, the BNPP Group's digital transformation, continuing to improve operating efficiency and various business development initiatives. The BNPP Group closely monitors these initiatives. In its first quarter results publication on 5 May 2020, the Group provided new elements of outlook in terms of trends in revenues, operating expenses, cost of risk and net income attributable to the Group for 2020 in order to take into account the possible effects, which are subject to a high degree of uncertainty, of the health crisis which has caused a drastic revision of the 2020 macroeconomic scenario.

These financial objectives were established primarily for purposes of internal planning and allocation of resources, and are based on a number of assumptions with regard to business and economic conditions. The BNPP Group's actual results could vary significantly from these objectives for a number of reasons, including the occurrence of one or more of the risk factors described elsewhere in this section, in particular due to the consequences of the health crisis, which has had and could continue to have major repercussions on the economic outlook and generate major shocks in the financial market. If the BNPP Group does not achieve its objectives, its financial position and the trading price of its securities, as well as its financing costs, could be affected.

Additionally, the Group is pursuing an ambitious Corporate Social Responsibility ("**CSR**") policy and is committed to making a positive impact on society with concrete achievements. At the end of 2019, BNPP reaffirmed its ambition to be a global leader in sustainable finance. The Group is thus taking strong positions, as a founding member of the United Nations Principles for Responsible Banking, which commits it to align its strategy with the Paris Agreement and the Sustainable Development Goals ("**SDGs**"). Its objective in 2020 is to provide EUR 185 billion in financing to sectors contributing to the SDGs. It is enhancing its support for the energy and environmental transition by deciding, for example, to reduce its outstanding loans to thermal coal companies to zero by 2030 in the European Union and 2040 in the rest of the world, and by raising its target for supporting renewable energy development by EUR 18 billion by 2021. These measures (and any future ones along similar lines) may in certain cases adversely affect the BNPP Group's results in the relevant sectors."

6. In **Chapter 4 Information about BNPP**, the text under the header **4.3 Statutory Auditors** the first paragraph shall be deleted and replaced as follows:

"The statutory auditors ("*Commissaires aux comptes*") of BNPP for the fiscal year ended 31 December 2018, the fiscal year ended 31 December 2019 and the fiscal year ending 2020 are the following:"

7. In **Chapter 4 Information about BNPP**, the text under the header **4.4 Credit Rating assigned to BNPP** shall be deleted and replaced as follows:

"The BNPP Group is rated as at 31st December 2019 by four rating agencies.

The BNPP Group's long-term credit ratings, which can also be found in the table below, are A+ with a negative outlook (S&P Global Ratings Europe Limited ("**Standard & Poor's**")), Aa3 with a stable outlook (Moody's Investors Service Ltd. ("**Moody's**")), AA- rating watch negative (Fitch France S.A.S. ("**Fitch France**")) and AA (low) with a stable outlook (DBRS Limited ("**DBRS**")) and BNPP's short-term credit ratings, which can also be found in the table below, are A-1 (Standard & Poor's), P-1 (Moody's), F1+ (Fitch France) and R-1 (middle) (DBRS). BNPP's Tier 2 instruments ratings are 3 BBB+ (Standard & Poor's), Baa2 (Moody's), A (Fitch France) and A (DBRS). BNPP's Non Preferred Senior debt ratings are A- (Standard & Poor's), Baa1 (Moody's), A+ (Fitch France) and A (high) (DBRS).

Long Term /Short Term Rating	Standard & Poor's	Moody's	Fitch France	DBRS
As at 2 May 2019	A+/A-1 (stable outlook)	Aa3/Prime-1 (stable outlook)	A+/F1 (stable outlook)	AA (low)/R-1 (middle) (stable outlook)
As at 31st July 2019	A+/A-1 (stable outlook)	Aa3/Prime-1 (stable outlook)	AA-/F1+ (stable outlook)	AA (low)/R-1 (middle) (stable outlook)
As at 31st October 2019	A+/A-1 (stable outlook)	Aa3/Prime-1 (stable outlook)	AA-/F1+ (stable outlook)	AA (low)/R-1 (middle) (stable outlook)
As at 3 March 2020	A+/A-1 (stable outlook)	Aa3/Prime-1 (stable outlook)	AA-/F1+ (stable outlook)	AA (low)/R-1 (middle) (stable outlook)

As at 5 May 2020	A+/A-1 (negative outlook)	Aa3/Prime-1 (stable outlook)	AA-/F1+ (rating watch negative)	AA (low)/R-1 (middle) (stable outlook)
Date of last review	23 April 2020	9 December 2019	30 March 2020	12 July 2019

8. The text under Chapter **9. LITIGATION, REGULATORY AND SIMILAR MATTERS** shall be deleted and replaced as follows:

"BNPP is party as a defendant in various claims, disputes and legal proceedings (including investigations by judicial or supervisory authorities) in a number of jurisdictions arising in the ordinary course of its business activities, including inter alia in connection with its activities as market counterparty, lender, employer, investor and taxpayer. While BNPP cannot predict the ultimate outcome of all pending and threatened legal and regulatory proceedings, BNPP reasonably believes that they are either without legal merit, can be successfully defended or that the outcome of these actions is not expected to result in a significant loss for BNPP.

BNPP and certain of its subsidiaries are defendants in several actions pending before the United States Bankruptcy Court Southern District of New York brought by the Trustee appointed for the liquidation of Bernard L. Madoff Investment Securities LLC ("**BLMIS**"). These actions, known generally as "clawback claims", are similar to those brought by the BLMIS Trustee against numerous institutions, and seek recovery of amounts allegedly received by the BNPP entities from BLMIS or indirectly through BLMIS-related "feeder funds" in which BNPP entities held interests. The BLMIS Trustee claims in these actions that the amounts which BNPP entities received are avoidable and recoverable under the U.S. Bankruptcy Code and New York state law. In the aggregate, the amount initially sought to be recovered in these actions approximated USD 1.3 billion. BNPP has substantial and credible defenses to these actions and is defending against them vigorously.

In two decisions dated 22 November 2016 and 3 October 2018, the Bankruptcy Court rejected most of the claims brought by the BLMIS Trustee against BNPP entities. On 25 February 2019 the United States Court of Appeals for the Second Circuit reversed the Bankruptcy Court's 22 November 2016 decision. The defendants filed a petition with the Supreme Court requesting it review the Second Circuit's decision on August 29, 2019. The 3 October 2018 decision will be subject to appeal at the conclusion of that suit.

Litigation was also brought in Belgium by minority shareholders of Fortis against the *Société fédérale de Participations et d'Investissement*, Ageas and BNPP seeking (amongst other things) damages from BNPP as restitution for part of the BNP Paribas Fortis shares that were contributed to BNPP in 2009, on the ground that the transfer of these shares was null and void. On 29 April

2016 the Brussels Commercial court decided to stay the proceedings until the resolution of the pending Fortis criminal proceeding in Belgium. BNPP does not have tangible elements to assess the duration of such suspension. The Public Prosecutor has stated on 20 December 2018 that he sees no reason to request the Council's chamber of the Court to order a referral.

Like many other financial institutions in the banking, investment, mutual funds and brokerage sectors, BNPP has received or may receive requests for information from supervisory, governmental or self-regulated agencies. BNPP responds to such requests, and cooperates with the relevant authorities and regulators and seeks to address and remedy any issues they may raise.

The U.S. regulatory and law enforcement authorities are currently investigating or requesting information in relation to certain activities as reported in the international financial press in relation to the U.S. treasuries market and U.S. Agency bonds. BNPP, which has received some requests for information, is cooperating with investigations and is responding to requests for information. The outcome and potential impact of these investigations or requests for information is difficult to predict before their close and the subsequent discussions with the U.S. authorities. It should be noted that it has been reported that a number of financial institutions are involved in these investigations or requests for information and that it is sometimes the case that reviews carried out in connection therewith may lead to settlements including in particular the payment of fines or significant penalties depending on the circumstances specific to each situation.

On 26 February 2020, the Paris Tribunal correctionnel found BNP Paribas Personal Finance guilty of misleading commercial practice and concealment of this practice. BNP Paribas Personal Finance is ordered to pay a fine of EUR 187,500. The Court ordered the publication of the judgment in certain French newspapers. BNP Paribas Personal Finance is ordered to pay damages and attorney expenses to the victims, including three consumer associations. The damages award is effective immediately. BNP Paribas Personal Finance filed an appeal on 6th of March 2020. Besides, a judicial request in order to suspend the immediate effectiveness of the judgment was brought before the court. The judicial hearings calendar being suspended due to the COVID 19 crisis, the judicial hearing for the suspension which was scheduled for 29th April 2020 has been postponed."

9. In **Chapter 11 DOCUMENTS AVAILABLE**, the last paragraph shall be deleted and replaced as follows:

"the consolidated financial statements of BNPP Group for the financial years 2018 and 2019 and the interim financial statements for the first quarter ended 31 March 2020 (also available on the following website: <https://www.derivate.bnpparibas.com/service/basisprospekte>)."

10. In **Chapter 12 FINANCIAL INFORMATION CONCERNING BNPP'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES**, the text under the header **12.2 Interim Financial Information** shall be deleted and replaced as follows:

"The interim financial statements for the first quarter ended 31 March 2020 (First Quarter 2020 Results and Balance Sheet as at 31 March 2020) on pages 3 to 74 of the Second Amendment to the BNPP 2019 Universal Registration Document (in English) are hereby incorporated by reference herein (please see "13 INFORMATION INCORPORATED BY REFERENCE")."

11. In **Chapter 12 FINANCIAL INFORMATION CONCERNING BNPP'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES**, the text under the header **12.3 Significant Changes in the Financial Position of BNPP Group** shall be deleted and replaced as follows:

"Save as disclosed in the Registration Document, there has been no significant change in the financial position of BNPP or the Group since 31 March 2020 (being the end of the last financial period for which interim financial statements have been published)."

12. In **Chapter 13 INFORMATION INCORPORATED BY REFERENCE**, the following bullet point shall be added below the bullet point regarding the BNPP 2019 Universal Registration Document (in English), with the following text:

"BNPP's second *Amendment au Document d'Enregistrement Universel* (in English), filed with the AMF for the purpose of the Prospectus Regulation (the "**Second Amendment to the BNPP 2019 Universal Registration Document (in English)**"); it has been published on the website of BNPP <https://invest.bnpparibas.com/en/registration-documents-annual-financial-reports>) and can be downloaded by clicking on this link."

13. In **Chapter 13 INFORMATION INCORPORATED BY REFERENCE**, the new header 13.3 Second Amendment to the BNPP 2019 Universal Registration Document (in English) shall be added and the following table shall be added below the table:

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Information Incorporated by Reference	Reference	Relevant Part of this Registration Document
First Quarter 2020 Results	Pages 3 to 73 of the Second Amendment to the BNPP 2019 Universal Registration Document (in English)	"12.2 Interim Financial Information"

Balance Sheet as at 31 March 2020	Page 74 of the Second Amendment to the BNPP 2019 Universal Registration Document (in English)	"12.2 Interim Financial Information"
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