



BNP PARIBAS

BNP Paribas

(a public limited company (société anonyme) incorporated in France, the liability of its member is limited, primarily regulated by the Autorité de contrôle prudentiel et de résolution, and is a licensed bank regulated by the Hong Kong Monetary Authority, and registered under the Securities and Futures Ordinance of Hong Kong for types 1, 4, 6 and 9 regulated activities)

as Issuer and Product Arranger

Unlisted Equity Linked Investment Programme

Our unlisted equity linked investments (ELIs) issued or to be issued under this unlisted equity linked investment programme (programme) are NOT equivalent to time deposits and may not be capital protected. They are unlisted structured investment products embedded with derivatives. You may sustain a total loss in your investment.

If you are in any doubt about any of the contents of the ELI offering documents, you should seek independent professional advice.

The Securities and Futures Commission (SFC) has authorised the issue of this programme memorandum under Section 105(1) of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong). The SFC takes no responsibility for the contents of this programme memorandum, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this programme memorandum. The SFC's authorisation does not imply the SFC's endorsement or recommendation of the ELIs referred to in this programme memorandum.

IMPORTANT

Before you decide whether to invest in the ELIs, you should read this programme memorandum (as amended and supplemented from time to time), the financial disclosure document (as amended and supplemented from time to time), the relevant product booklet (as amended and supplemented from time to time) and the relevant indicative term sheet (together, the ELI offering documents) and ensure you fully understand and are willing to assume the risks associated with such an investment.

If you are in any doubt about any of the contents of the ELI offering documents, you should obtain independent professional advice.

The ELIs are complex products. You should exercise caution in relation to the ELIs. You are warned that the market value of the ELIs may fluctuate and you may sustain a total loss of your investment. You should therefore ensure that you understand the nature of the ELIs and carefully study the risk warnings set out in the ELI offering documents and, where necessary, seek independent professional advice, before you decide whether to invest in the ELIs.

The ELI offering documents include particulars given in compliance with the Code on Unlisted Structured Investment Products (the Code) issued by the SFC for the purpose of giving information with regard to us (BNP Paribas, being the issuer and product arranger), the programme, and the ELIs. We (as the issuer and the product arranger) accept full responsibility for the contents of, and the completeness and accuracy of the information contained in the ELI offering documents and confirm, having made all reasonable enquiries, that to the best of our knowledge and belief there is no untrue or misleading statement, or other facts the omission of which would make any statement therein untrue or misleading.

We (as the issuer and the product arranger) confirm that we meet the relevant eligibility requirements of issuers and product arrangers respectively under the Code and the ELIs comply with the Code.

The ELIs constitute our general, unsecured and unsubordinated contractual obligations and of no other person. If you purchase the ELIs, you are relying upon BNP Paribas's creditworthiness and have no rights under the terms of the ELIs against the issuer of the reference stock(s).

All references to "we" in this programme memorandum mean BNP Paribas as the issuer of the ELIs, and the words "our" and "us" shall be construed accordingly. All references to "Hong Kong" in this programme memorandum are to the Hong Kong Special Administrative Region of the People's Republic of China.

A Chinese version of this programme memorandum is also available from your distributors and/or from the offices of the product arranger at 60/F. and 63/F., Two International Finance Centre, 8 Finance Street, Central, Hong Kong. 本計劃備忘錄的中文版本可於閣下的分銷商及/或產品安排人之辦事處(地址為香港中環金融街8號國際金融中心二期60樓及63樓)索取。

IMPORTANT RISK WARNINGS

The following risks should be read together with the other risks contained in the relevant product booklet (in particular, the section headed “Risk Warnings”) and the other ELI offering documents for the ELIs.

- **Structured Investment Product**

The ELIs are NOT equivalent to time deposits and are NOT protected deposits for the purposes of the Deposit Protection Scheme. These are unlisted structured investment products embedded with derivatives.

- **The ELIs may not be capital protected or may be wholly or partially capital protected at maturity only**

(i) Where the ELIs are not capital protected, the potential payout that you receive at maturity may be substantially less than your initial investment amount. **You could lose all of your investment.**

(ii) Where the ELIs are wholly capital protected at maturity, the potential payout that you receive at maturity is subject to other risks including our creditworthiness and the creditworthiness of your distributor and/or its custodian(s) as mentioned below. Moreover, if such ELIs are otherwise early terminated, you may receive an amount which is less than the minimum payout at maturity and is substantially less than your initial investment amount.

(iii) Where the ELIs are partially capital protected at maturity, the potential payout that you receive at maturity may be less than your initial investment amount but is subject to a minimum redemption level as specified in the relevant term sheet if they are held until maturity (subject to other risks including our creditworthiness and the creditworthiness of your distributor and/or its custodian(s) as mentioned below). However, if such ELIs are otherwise early terminated, you may receive an amount which is less than the minimum payout at maturity and is substantially less than your initial investment amount.

Please refer to the relevant product booklet(s) for details about the relevant series of our ELIs.

- **No Collateral**

The ELIs are not secured on any of our assets or any collateral.

- **Liquidity Risks**

The ELIs are designed to be held to their expiry date. Limited market making arrangements are available on a bi-weekly basis for the ELIs with an investment period (i.e. the period from and including the trade date to and including the expiry date) of more than six months. **If you try to sell back to us the ELIs under the limited market making arrangement, you may receive an amount which is substantially less than your initial investment amount.** There is no market making arrangements for the ELIs with an investment period of six months or less.

- **Not the Same as Investment in the Reference Stock(s)**

Buying the ELIs is not the same as buying the reference stock(s). You have no rights in the reference stock(s) during the investment period (except as specified otherwise in the relevant product booklet). Changes in the market price of the reference stock(s) may not lead to any corresponding change in the market value of, and/or your potential payout under, the ELIs.

- **Not Covered by Investor Compensation Fund**

The ELIs are not listed on any stock exchange and are not covered by the Investor Compensation Fund in Hong Kong.

- **Maximum Loss upon our Default or Insolvency**

The ELIs constitute our general, unsecured and unsubordinated contractual obligations and of no other person. When you buy the ELIs, you will be relying on our creditworthiness. Regardless of whether the ELIs are wholly or partially capital protected at maturity or not capital protected, if we become insolvent or default on our obligations under the ELIs, **in the worst case scenario, you could lose all of your investment.**

- **Regulatory action(s) by relevant resolution authorities in the event that we (as the issuer) are failing or likely to fail could materially affect your rights under, and the market value of, and the potential payout under the ELIs**

Pursuant to the Bank Recovery and Resolution Directive (2014/59/EU), as amended (“**BRRD**”), the French legislation having implemented the BRRD, and Regulation (EU) No 806/2014, as amended, certain resolution authorities are conferred with substantial powers to enable them to take or exercise a wide range of regulatory actions if they consider the failure of the relevant entity (including, such as, us) has become likely and certain other conditions are satisfied. These powers include powers to reduce, modify, cancel or convert, all, or a portion, of any amounts payable by us under the ELIs, into other securities of ours (or of another person), including by means of a variation to the contractual terms of the ELIs. **In case any resolution power under the BRRD is exercised by the relevant resolution authorities over us, you may lose all or a substantial part of your investment in the ELIs.** For more information, please refer to the “Overview of the BRRD and its Implications to the ELIs” of this programme memorandum and the “Risk Warnings” section of the relevant product booklet.

- **Consent to the Bail-In Power**

By investing in the ELIs, you acknowledge, agree to be bound by, and consent to the exercise of any Bail-In Power (as defined in the terms and conditions of the ELIs) by the relevant resolution authorities. **If any Bail-In Power is exercised over us as the issuer, you may lose all or a substantial part of your investment in the ELIs.** For more information, please refer to the “Overview of the BRRD and its Implications to the ELIs” of this programme memorandum and the “Risk Warnings” section of the relevant product booklet.

- **Financial Institutions (Resolution) Ordinance**

As an authorised institution regulated by the Hong Kong Monetary Authority, we are subject to and bound by the Financial Institutions (Resolution) Ordinance (Cap.628, the Laws of Hong Kong) (“**FIRO**”). The exercise of any resolution power by the relevant resolution authority under the FIRO in respect of us may have a material adverse effect on the value or potential payout of the ELIs, and as a result, you may not be able to recover all or any amount due under the ELIs. **In the worst case scenario, you may get nothing back and you could lose all of your investment.**

- **No Direct Contractual Rights Against Us**

The ELIs are held either (i) through the clearing system or (ii) outside the clearing system through a distributor. You do not have any direct contractual rights against us (as the issuer). To assert your rights as an investor in the ELIs, you will have to rely on your distributor or its custodian(s) to take action on your behalf and you will be exposed to their credit risk. **This is a complicated area of law and if you have any doubt or wish to understand more, you should obtain independent legal advice.**

- **English Version of the Terms and Conditions Prevails Over the Chinese Version**

If the ELIs are held through international securities clearing systems, the terms and conditions of the ELIs are issued in English only for the purposes of lodgment with the relevant clearing systems, and shall prevail over the Chinese version of the terms and conditions contained in the Chinese version of the relevant product booklet in the event of inconsistency. If you do not understand the English version, you should obtain independent professional advice.

- **Enforcement of Judgments**

A large portion of our business, assets and operations are located outside Hong Kong. If you or your distributor or its custodian(s) (as the case may be) have obtained a judgment against us in a Hong Kong court upon a default of our obligations under the ELIs and our assets in Hong Kong are not sufficient to satisfy all the claims, you or your distributor or its custodian(s) (as the case may be) may have to enforce the Hong Kong judgment against our assets outside Hong Kong and may experience difficulties and delays in doing so or may not be able to enforce it at all. If you are in any doubt, you should seek independent legal advice regarding this. In the worst case scenario, you could lose all of your investment.

- **Conflicts of Interest**

Potential and actual conflicts of interest may arise from the different roles played by us and our subsidiaries and affiliates in connection with the ELIs. Our economic interests in each role may be adverse to your interests in the ELIs.

We, as the issuer of the ELIs, cannot give you investment advice; you must decide for yourself, after seeking independent professional advice, whether the ELIs meet your investment needs.

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OVERVIEW OF THE UNLISTED EQUITY LINKED INVESTMENT PROGRAMME

We have set up the unlisted equity linked investment programme so that we can issue the ELIs to the public in Hong Kong.

This is an overview of the main features of our programme:

Issuer: BNP Paribas (being the issuer, is incorporated in France, primarily regulated by the Autorité de contrôle prudentiel et de résolution, and is a licensed bank regulated by the Hong Kong Monetary Authority, and registered under the Securities and Futures Ordinance for types 1, 4, 6 and 9 regulated activities).

The key responsibility of the issuer is to issue the ELIs.

Issuer's corporate credit ratings as at the date of this programme memorandum:	Rating Agency	Credit Rating*	Outlook*
	S&P Global Ratings	A+ (this credit rating is among the top three major credit rating categories and is the fifth highest among the ten investment-grade credit ratings available (including + or — sub-grades))	Stable
	Moody's Investors Service, Inc.	A1 (this credit rating is among the top three major credit rating categories and is the fifth highest among the ten investment-grade credit ratings available (including 1, 2 and 3 sub-grades))	Stable

* The above ratings and rating outlooks relate to our long-term senior debt credit ratings.

The credit ratings listed above are provided for your reference only and do not imply the rating agency's endorsement or recommendation of the ELIs.

Rating agencies usually receive a fee from the companies that they rate: there may therefore be potential conflict of interests.

A credit rating is an assessment by a credit rating agency of a company's overall financial capacity to pay its debts. The focus is on the company's capacity to pay its debts as they become due. The rating does not necessarily apply to any specific obligation.

When evaluating our creditworthiness, you should not solely rely on our credit ratings because:

- a credit rating is not a recommendation to buy, sell or hold the ELIs;
- a credit rating is not necessarily an indication of liquidity or volatility;
- credit ratings of companies may involve difficult-to-quantify factors such as market competition, the success or failure of new products and markets and managerial competence; and
- a high credit rating is not necessarily indicative of low risk.

There can be no assurance that any credit rating will remain in effect for any given period or that any credit rating will not be revised by the relevant rating agency in the future. You may find our latest credit rating on the following website: <https://invest.bnpparibas.com/en/debt-ratings>. Our credit ratings as of the date of this programme memorandum are provided for reference only. Our credit ratings may be downgraded if our credit quality declines. You should also note that any downgrade of our rating by any credit rating agency could result in a reduction in the market value of the ELIs. You should make your own assessment of our ability to meet our obligations under the ELIs and consult your investment adviser(s) if necessary.

Please see Appendix A for further information on credit ratings.

Ratings of the
ELIs:

The ELIs are not rated.

Description of
programme:

Unlisted equity linked investment programme. There is no maximum issue size for our programme.

Nature of ELIs:

The ELIs are unlisted structured investment products embedded with derivatives. Generally speaking, derivatives are financial instruments, the value and potential return of which would depend on the performance of one or more reference assets such as stock, fund, trust, asset, index, event, value, condition, etc. The type of derivative embedded in each type of the ELIs will be described in the relevant product booklet.

The potential payout on an ELI is linked to the performance of a specific reference stock or reference stocks as specified in the relevant term sheet. You must check with your distributor what kind of reference stock(s) is available for a particular series of the ELIs. During the investment period of the ELIs, you have no rights in the reference stock(s) other than as described in the terms and conditions of the ELIs.

The ELIs are contracts under which, upon certain conditions being met under the terms of the relevant ELIs, you may receive payment of a certain cash amount or physical delivery of an asset amount comprising the relevant reference stock(s) at a specified future date.

We will issue a product booklet for each type of ELIs that we issue. The general terms and conditions that apply to each type of ELIs that we can issue under our programme will be set out in the relevant product booklet.

How we issue:	<p>The ELIs will be offered in series. Each series of ELIs will have specific terms and conditions that are applicable to that series only. We may issue further ELIs based on the same terms and conditions except for the issue dates and (for the relevant series of ELIs as specified in the relevant term sheet) issue prices.</p> <p>You can buy the ELIs through the distributors specified in the relevant term sheet.</p>
Currencies:	<p>We may issue ELIs in Hong Kong dollars, United States dollars, Canadian dollars, Australian dollars, New Zealand dollars, Sterling, Euro, Japanese Yen, Singapore dollars, Swiss Franc or other major non-restricted and freely convertible currencies or Renminbi. We will specify the currency of a series of the ELIs in the relevant term sheet. The ELIs will be issued and settled in the same currency.</p> <p>If the settlement currency of the ELIs is different from the currency in which any reference stock trades, we will convert one currency into another at the exchange rate specified in the relevant term sheet in making calculations under the ELIs.</p>
Ranking of the ELIs:	<p>The ELIs rank as our general, unsecured and unsubordinated contractual obligations, and are not secured on any assets or collateral.</p>
Product arranger:	<p>BNP Paribas, which arranges the establishment of our programme and performs administrative functions such as assisting us (as the issuer) with the appointment of the agent. The product arranger is primarily regulated by the Autorité de contrôle prudentiel et de résolution, and is a licensed bank regulated by the Hong Kong Monetary Authority, and registered under the Securities and Futures Ordinance of Hong Kong to carry out types 1, 4, 6 and 9 regulated activities.</p> <p>BNP Paribas is the product arranger for our programme for the purposes of the Code.</p>
Minimum investment amount:	<p>We will specify the minimum investment amount for each series of the ELIs in the relevant term sheet.</p>
Governing law:	<p>Hong Kong law governs the ELIs and our programme.</p>
Listing:	<p>The ELIs will not be listed on any stock exchange.</p>
Post-sale cooling-off period:	<p>The relevant term sheet will specify if a post-sale cooling-off period is applicable to a particular series of the ELIs.</p>
Market making arrangement:	<p>The ELIs are designed to be held until expiry. The relevant term sheet will specify if there is any specific market making arrangement applicable to a particular series of the ELIs.</p>
Use of proceeds:	<p>Proceeds from the issue of the ELIs will be used by us and our subsidiaries and affiliates for general business purposes, including, without limitation, to enter into transactions to hedge our exposure under the ELIs. Please refer to the relevant product booklet for details of how our hedging transactions may affect the ELIs.</p>

THE UNLISTED EQUITY LINKED INVESTMENT PROGRAMME — MAIN FEATURES

The ELIs will be issued and sold under our programme. Our programme was authorised and approved by our internal designated committee on 26 June 2018. The main features of our programme are set out in this section.

ELI offering documents

The following documents constitute our ELI offering documents. You should read all of these documents (including any addendum to the programme memorandum, the financial disclosure document or the product booklet set out in the relevant term sheet) before deciding whether to invest in the ELIs:

- This **programme memorandum** gives you an overview of our programme and the ELIs and provides corporate information about us (as the issuer and the product arranger).
- The **financial disclosure document** will include our most recently published audited financial statements and unaudited financial statements (if any).
- The **product booklet** for each type of ELIs issued by us will set out the key facts statement(s) for each type of ELIs offered, the general terms and conditions, the product features, risk factors and the standard form(s) of term sheet applicable to each type of ELIs (You should note that there may be a number of variations within the same type of ELIs described in a product booklet. There will be a separate key facts statement for each variation. Please read the relevant product booklet for details).
- The **indicative term sheet** for each series of ELIs will contain a summary of the specific terms applicable to that series of ELIs. You should note that some of these terms may only be determined on the trade date after you have purchased the ELIs. The finalised terms will be set out in the relevant final term sheet which will be sent to your distributor on or before the second business day after the trade date of the relevant series of ELIs. You will have to rely on your distributor to send you the final term sheet. Please note, while the indicative term sheet forms part of the ELI offering documents, the final term sheet, on the other hand, does not form part of the ELI offering documents. Where further ELIs of the same series are issued, a separate term sheet will be prepared for each issue of further ELIs.

The offer of each series of ELIs is made only on the basis of this programme memorandum, the financial disclosure document, the relevant product booklet and the relevant indicative term sheet (together with any addendum to the programme memorandum, the financial disclosure document or the product booklet as specified in the relevant indicative term sheet).

Legal terms and conditions of the ELIs

The following documents set out the legally binding terms and conditions of the ELIs:

- (i) **General terms and conditions:** the general terms and conditions that are applicable to the relevant type of ELIs will be set out in the relevant product booklet. These general terms and conditions may be amended, supplemented, replaced or modified by the specific terms that are applicable to a series of ELIs, as set out in the relevant final term sheet.
- (ii) **Final term sheet:** we will prepare the final term sheet for each series of ELIs. The final term sheet will set out the specific commercial terms that are applicable to a particular series of ELIs. The general terms and conditions as amended, supplemented, replaced or modified by the specific terms that are applicable to a series of ELIs as set out in the relevant final term sheet will constitute the legally binding terms and conditions applicable to the relevant series of ELIs.

Form of the ELIs and custody arrangement with distributors

- Each series of the ELIs will be represented by a single global certificate in registered form.
- The global certificate representing the entire issue for a series of ELIs will, upon issuance, be registered in the name of either (as determined by us): (a) a common nominee for Euroclear and/or Clearstream, Luxembourg which are international securities clearing systems if the ELIs will be held through the clearing system, or (b) the nominee of the issuer if the ELIs will be settled directly with the issuer (i.e. held outside the clearing system). The relevant term sheet for a series of ELIs will specify whether the ELIs in that series will be held through the clearing system or settled directly with the issuer. The common nominee for Euroclear and/or Clearstream, Luxembourg or the nominee of the issuer will be the legal holder of the ELIs that you invest in.
- The ELIs will be credited to either (i) if the ELIs are to be held through the clearing system, the accounts of the relevant distributors or its custodians (if applicable) with Euroclear and/or Clearstream, Luxembourg as individual investors cannot open a personal account at Euroclear or Clearstream, Luxembourg; or (ii) if the ELIs are settled directly with the issuer, the relevant distributor's accounts with the issuer. Such distributors or its custodians (if applicable) having the accounts in which your ELIs are held are referred as the "acountholder".
- Unless you already have one, you will have to open a securities or investment account with a distributor before you can buy the ELIs. Securities or investment accounts and other services will be provided by your distributor subject to its standard terms and conditions. We are not responsible for the way your distributor handles your account. You should ensure you are familiar with the standard terms and conditions, including fees, which your distributor will apply to your account. Ask your distributor to explain if you are not familiar with these arrangements. **You should note that your potential gain/loss on an investment in the ELIs will be affected by charges levied by your distributor.**
- In limited circumstances where the clearing system closes down (if the ELIs are held through the clearing system) or otherwise specified in the terms and conditions of the relevant ELIs, we will issue individual definitive certificates for the ELIs. The **deed of covenant dated 3 January 2019** provides in detail for the arrangements which will apply in the unlikely event that individual definitive certificates have to be issued. If we need to issue individual definitive certificates, we will give a notice to the distributors summarising the arrangements as soon as practicable and the distributors will in turn inform you.

Enforcement of the ELIs

- When issued, the ELIs will have the benefit of the deed of covenant. The deed of covenant entitles the acountholders in the clearing system or the acountholders with the issuer (as the case may be) which have been credited with interests in the global certificate to take action against us directly to enforce their rights under the ELIs in the event we, as the issuer, become insolvent or default on our obligations under the ELIs.
- Your distributor or its custodian(s) (as the case may be), as the acountholders of the ELIs, will be given direct contractual rights of enforcement against us as the issuer in accordance with the deed of covenant. You do not have any direct contractual rights against us (as the issuer) or against your distributor's custodian(s) (as the case may be). Therefore, in order to assert your rights as an investor in the ELIs, you will have to rely on your distributor (and, if applicable, through its custodian(s)) to take action on your behalf if we (as the issuer) default on our obligations under the ELIs or become insolvent.

- If your distributor (i) fails to take action in accordance with your instructions; (ii) becomes insolvent; or (iii) defaults on its obligations, you will have to take action against your distributor in accordance with the customer agreement you sign with your distributor to establish your interest in the ELIs first before you could assert your right of claim against your distributor's custodian(s) (if applicable) and us as the issuer. You may experience difficulties in taking such legal proceedings. This is a complicated area of law and you should seek independent legal advice for further information.

It is therefore important that you familiarise yourself with, and ensure you understand your relationship with your distributor in relation to the holding arrangements of the ELIs and the arrangements with your distributor regarding taking action against us (as the issuer), your distributor or your distributor's custodian(s) (if applicable) upon default of our obligations under the ELIs.

If you do not understand such arrangements with your distributor or you would like to know the steps to enforce your rights under the ELIs, you should obtain independent professional advice.

How will we make payments, deliver the asset amount and send notices to you?

- If a series of the ELIs is held through the clearing system, we will make payments and deliver asset amount and notices to the nominee of the relevant clearing system because the holder of our ELIs is the nominee of the relevant clearing system. Once we have done so, you will have to rely on (a) the relevant clearing system to credit the accounts of the accountholder with the payment or the asset amount and to forward the notices to the accountholder; (b) (where applicable) each custodian of your distributor (including the accountholder) to credit the accounts of your distributor with the payment or the asset amount and to forward the notices to your distributor; and (c) your distributor to ensure the payment or the asset amount be credited through your designated securities account and the notices be forwarded to you by the relevant time.
- If a series of the ELIs is held outside the clearing system, we will make payments and deliver asset amount and notices to the nominee of the issuer because the holder of our ELIs is the nominee of the issuer. Once we have done so, you will have to rely on (a) such nominee to credit the accounts of your distributor with the payment or the asset amount and to forward the notices to your distributor; and (b) your distributor to ensure the payment or the asset amount be credited through your designated securities account and the notices be forwarded to you by the relevant time.

How will you send notices to us?

You will have to rely on your distributor (or, where applicable, its custodian) to send notices to us under the relevant terms and conditions. You will need to instruct your distributor in accordance with the normal operational procedures of such distributor so that your distributor can in turn instruct the nominee of Euroclear and/or Clearstream, Luxembourg (directly or through its custodian) or our nominee to send such notice to us as the issuer.

We, as the calculation agent, will make determinations and exercise discretion under the terms and conditions of the ELIs

- We, as the calculation agent, will make all determinations, and exercise all discretion, under the terms and conditions of the ELIs.

- We, as the calculation agent, have the sole and absolute discretion in making all determinations and exercising all discretion designated for the calculation agent under the terms and conditions of the ELIs. Any decision we make will be made in good faith and a commercially reasonable manner and is (save in the case of manifest error) final and binding on you and on us (as the issuer) and any other parties involved in the ELIs.

We, as the agent and registrar, will perform administrative functions

We, BNP Paribas, as the agent and registrar, will perform administrative functions relating to the ELIs, which include:

- making any payments and delivery of the asset amount due under the ELIs;
- giving notices to the legal holders of the ELIs;
- issuing individual definitive certificates, in the unlikely event that we ever need to do so; and
- keeping records and register of legal holders of the ELIs and dealing with administrative matters.

Any information which is relevant to you as investors in the ELIs will be disclosed in the relevant product booklet or the relevant term sheet.

BNP Paribas, as the agent and registrar, owes no duties to you as investors in the ELIs.

Each offer of ELIs is arranged under distributor appointment agreements

- We will enter into **distributor appointment agreements** with the distributors appointed for each series of the ELIs for the offering of the ELIs to the public in Hong Kong.
- These agreements record the detailed arrangements between us and the distributors involved in offering the ELIs: you do not, as investors in ELIs, have any rights under these agreements.
- If these agreements, as they apply to any particular offering of the ELIs, contain information which is relevant to you as investors in the ELIs, we will disclose it in the relevant product booklet or the relevant term sheet.

KEY FEATURES OF THE ELIS

What are the ELIs?

The ELIs are unlisted structured investment products embedded with derivatives. The type of derivative embedded in a type of ELI will be described in the relevant product booklet. The potential payout on an ELI is linked to the performance of the specific reference stock(s) as specified in the relevant term sheet.

The ELIs are contracts under which, upon certain conditions being met, you may receive payment of a certain cash amount or physical delivery of the asset amount (being a number of the relevant reference stock(s)) at specified future date(s).

Buying an ELI is not the same as buying the reference stock(s). You have no rights in the reference stock(s) during the investment period other than as described in the terms and conditions of the ELIs. Changes in the market price of the reference stock(s) may not lead to any corresponding change in the market value of, and/or the potential payout under, the ELIs.

You should note that while your investments in ELIs may give you potentially higher returns than time deposits, you must be prepared to take higher risks. You may lose some or all of the money that you invested in the ELIs.

What are the key elements of an ELI?

Generally, the key elements of an ELI are:

- the reference stock(s) to which the ELI is linked;
- the type of derivative embedded in the ELI;
- the settlement at expiry, which is either:
 - payment of a cash amount (this relates to the payment of a cash amount you will be entitled to receive upon termination of the ELIs upon certain conditions being met under the terms of the relevant ELIs. Cash settlement expenses may be deducted from any cash amount you may receive. Currently there are no such charges or expenses. If any cash settlement expenses are payable in the future, we will inform the distributor(s) as soon as practicable and your distributor will in turn inform you); or
 - delivery of an asset amount (this relates to the physical delivery of the reference stock(s) you will receive upon termination of the ELIs upon certain conditions being met under the terms of the relevant ELIs. You will be required to pay all charges and expenses arising from the transfer and receipt of the relevant reference stock(s) before the asset amount is delivered to you, including any transferee's stamp duty, transaction levies and registration charges);
- the issue price (the amount you pay per ELI at the time you place an order for the ELIs);
- pre-determined benchmark price(s) for the reference stock(s), which determine the potential payout under the ELIs;
- the scheduled tenor of the ELIs (the period from and including the issue date to and including the settlement date); and

- the investment period of the ELI (the period between the date on which all the terms of the ELI you wish to buy are finalised (i.e. the trade date) and the date on which the settlement at expiry is determined (i.e. the expiry date) (both days inclusive)).

The relevant product booklet will explain how a particular type of ELI works.

ELI holders rank for payment equally with our other unsecured creditors

The ELIs are NOT equivalent to time deposits.

The ELIs constitute our general, unsecured and unsubordinated contractual obligations. This means that if we become insolvent or default on our obligations under the ELIs, ELI holders will rank for payment equally with all our other creditors whose claims are not:

- preferred by law;
- secured on our assets; or
- subordinated.

We or our group companies may buy and sell the ELIs

We or our group companies may at any time and at any price buy or sell the ELIs whether in the open market or by private arrangement. Any ELIs that we or our group companies purchased may be held or resold or cancelled. So long as there is sufficient liquidity of the reference stock(s) of the ELIs, we do not expect such buying of the ELIs by us or our group companies to affect the market value of the ELIs. However, if there is low trading volume in the reference stock(s) at that time, it is possible that this activity could affect the market price of the reference stock(s) during the investment period, which in turn, may affect the market value and/or the potential payout of the ELIs.

We can re-open a series of ELIs to issue more ELIs of the same series later

We reserve the right to create and issue more ELIs of a particular series in a follow-on offering after the initial offering has closed. The further ELIs will be issued so that they are interchangeable with the originally issued ELIs — the only differences will be the issue date and (for the relevant series of ELIs as specified in the relevant term sheet) the issue price. Where further ELIs of the same series are issued, a separate term sheet and final term sheet will be prepared for each issue of further ELIs. It is expected that either (a) a separate global certificate would be issued for each issue of the further ELIs or (b) the existing global certificate may be amended to cover such further ELIs. The further ELIs issued will not have an adverse impact on the market value of the existing ELIs.

Our programme is governed by Hong Kong law

All our programme documentation, including the terms and conditions of the ELIs, is governed by Hong Kong law. The terms and conditions of the ELIs provide that the courts of Hong Kong have non-exclusive jurisdiction to settle any disputes in connection with the ELIs.

OVERVIEW OF THE BRRD AND ITS IMPLICATION TO THE ELIS

1. What is the BRRD?

The Bank Recovery and Resolution Directive (2014/59/EU), as amended (“**BRRD**”) is a legislative development in the European Union (“**EU**”) which was introduced to address the shortcomings in the national laws and regulations of EU Member States for the resolution of failing banks and financial institutions.

The BRRD provides for the establishment of an EU-wide framework for the recovery and resolution of EU credit institutions and investment firms as well as certain of their group companies falling under the scope of the BRRD. The BRRD requires the governments of all EU Member States to provide their relevant resolution authorities with a set of tools to intervene sufficiently early and quickly in an unsound or failing institution so as to ensure the continuity of that institution’s critical financial and economic functions, while minimising the impact of that institution’s failure on the broader economy and financial system.

Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 amending the BRRD as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms and Regulation (EU) 2019/877 of the European Parliament and of the Council of 20 May 2019 amending the Single Resolution Mechanism Regulation (Regulation 806/2014) as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms, have been published on 7 June 2019 in the Official Journal of the European Union. They amend a number of key EU banking directives and regulations, including the BRRD, the Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms (“**CRD**”), the Regulation 2013/575 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms (“**CRR**”), and the Single Resolution Mechanism.

On 18 April 2023, the European Commission presented a legislative package to adjust and further strengthen the EU’s existing bank crises management and deposit insurance (“**CMDI**”) framework by amending the BRRD, the SRMR and the Deposit Guarantee Scheme Directive (“**DGSD**”). Such proposal is still subject to further discussions and as a result its precise legal application date is unknown.

The BRRD contains four resolution tools and powers (the “**Resolution Tools**”) which may be used alone or in combination where the relevant resolution authority considers that (a) an affected institution is failing or likely to fail, (b) there is no reasonable prospect that any alternative private sector measures would prevent the failure of such affected institution within a reasonable timeframe, and (c) a resolution action is in the public interest: (i) sale of business — which enables the relevant resolution authorities to direct the sale of the affected institution or the whole or part of its business on commercial terms; (ii) bridge institution — which enables the relevant resolution authorities to transfer all or part of the business of the affected institution to a “bridge institution” (an entity created for this purpose that is wholly or partially in public control); (iii) asset separation — which enables the relevant resolution authorities to transfer impaired or problem assets to one or more publicly owned asset management vehicles to allow them to be managed with a view to maximising their value through eventual sale or orderly wind-down (this can be used together with another resolution tool only); and (iv) Bail-In Power (as defined in the terms and conditions of the ELIs).

The BRRD has been implemented in France through Ordinance No.2020-1636 dated 21 December 2020 relating to the resolution regime in the banking sector (the “**Ordinance**”). In particular, the Ordinance has implemented Article 48(7) of BRRD which requires EU Member States to modify their national insolvency law to ensure that claims resulting from funds rank in insolvency below any other claims that do not result from own funds as defined by the CRR (the “**Own Funds**”). The transposition of this provision by the Ordinance has modified the rules governing the order of creditors’ claims

applicable to French credit institutions in insolvency proceedings. Subordinated obligations and deeply subordinated obligations of the Issuer issued before the entry into force of those provisions will keep their contractual ranking if they are, or have been, fully or partially recognized as Own Funds.

Article L.613-30-3-I-5° of the French *Code monétaire et financier* states that, as from 28 December 2020, it should not be possible for liabilities of a credit institution that are not Own Funds to rank *pari passu* with Own Funds.

Therefore, a new rank within subordinated obligations has been created for subordinated obligations or deeply subordinated obligations of the Issuer, issued as from 28 December 2020 if and when they completely cease to constitute tier 2 capital or additional tier 1 capital instruments of the Issuer. They will rank in priority to tier 2 capital instruments and additional tier 1 capital instruments of the Issuer in order to comply with article L.613-30-3-I-5° of the French *Code monétaire et financier*.

Consequently,

- (i) as long as subordinated obligations are recognised as tier 2 capital instruments, they will rank as tier 2 capital instruments, and, if they are no longer recognised as tier 2 capital instruments, they will automatically rank as “**Disqualified Subordinated Obligations**”; and
- (ii) as long as deeply subordinated obligations are recognised as additional tier 1 capital instruments, they will rank as additional tier 1 capital instruments of the Issuer, and, if they are no longer recognised as additional tier 1 capital instruments, they will automatically rank as disqualified additional tier 1 obligations and will rank *pari passu* with the Disqualified Subordinated Obligations;

without any action from the Issuer and without obtaining the consent of the creditors of subordinated obligations or any other obligations.

All subordinated obligations or deeply subordinated obligations granted by the Issuer prior to the date of entry into force of the Ordinance that are, or have been, fully or partially recognised as Own Funds of the Issuer, rank and as long as they are outstanding will rank as tier 2 capital instruments or additional tier 1 capital instruments of the Issuer as the case may be, in accordance with their contractual terms.

The implementation of the Resolution Tools with respect to BNP Paribas may result in significant structural changes and in a partial or total write down, modification or variation of claims of shareholders and creditors, including the reduction, modification, cancellation or conversion, all, or a portion, of any amounts payable by BNP Paribas under the ELIs, into other securities of BNP Paribas (or of another person), including by means of a variation to the contractual terms of the ELIs. The exercise of any resolution power under the BRRD by the relevant resolution authorities over BNP Paribas could materially adversely affect its creditworthiness and the rights of investors under the ELIs, and the market value of, and the potential payout under the ELIs. You as investors in the ELIs may therefore lose all or a substantial part of your investment in the ELIs.

2. Is BNP Paribas subject to the BRRD?

Yes, BNP Paribas is a credit institution incorporated in France and is subject to the BRRD and the French legislation having implemented the BRRD and Regulation (EU) No 806/2014, as amended.

Under the French legislation having implemented the BRRD, substantial powers are granted to the Autorité de contrôle prudentiel et de résolution (“**ACPR**”), the French resolution authority, and/or to other relevant resolution authorities in the EU, to implement resolution measures in respect of a

French credit institution (including, for example, BNP Paribas) and certain of its affiliates (each a “**relevant entity**”) to protect and enhance the stability of the financial system if the relevant French resolution authorities consider the failure of the relevant entity has become likely and certain other conditions are satisfied, including the use of the Resolution Tools.

The exercise of any Resolution Tool or any suggestion of any such exercise under the BRRD over BNP Paribas could adversely affect the creditworthiness of BNP Paribas and your rights under, and the value and the potential return of your investment in the ELIs. **You may therefore lose all or a substantial part of your investment in the ELIs.**

In addition, the resolution powers could be exercised (i) prior to the commencement of any insolvency proceedings in respect of BNP Paribas, and (ii) by the relevant French resolution authorities without your consent or any prior notice to you. It is also uncertain how the relevant resolution authorities would assess triggering conditions in different pre-insolvency scenarios affecting BNP Paribas under the BRRD. Accordingly, you may not be able to anticipate a potential exercise of any such resolution powers over BNP Paribas and/or the ELIs.

3. What is “Bail-In Power”?

“Bail-In Power” (as defined in the terms and conditions of the ELIs) means any write-down, conversion, transfer, modification, or suspension power existing from time to time under, and exercised in compliance with, any laws, regulations, rules or requirements in effect in France, relating to the transposition of the BRRD as amended from time to time, and the instructions, rules and standards created thereunder, pursuant to which:

- (a) any obligations of a regulated entity (or other affiliate of such regulated entity) can be reduced, cancelled, modified, or converted into shares, other securities or other obligations of such regulated entity or any other person (or suspended for a temporary period); and
- (b) any right in a contract governing an obligation of a regulated entity may be deemed to have been exercised.

4. Are BNP Paribas’ obligations under the ELIs subject to “Bail-In Power”?

The terms and conditions applicable to the ELIs include supplemental terms regarding the “Bail-In Power”. Therefore, the ELIs are subject to the exercise of any “Bail-In Power” by the relevant resolution authorities.

By investing in the ELIs, you acknowledge, accept, consent and agree to be bound by the effect of the exercise of any Bail-In Power by the relevant resolution authorities. You further acknowledge, accept, consent and agree that your rights under the ELIs are subject to, and will be varied, if necessary, so as to give effect to, the exercise of any Bail-In Power by the relevant resolution authorities.

The effect of the exercise of the Bail-In Power by the relevant French resolution authority over BNP Paribas may include and result in any of the following, or some combination thereof:

- the reduction of all, or a portion, of the amounts payable by BNP Paribas under the terms of the ELIs (including a reduction to zero);
- the conversion of all, or a portion, of the potential liabilities of BNP Paribas under the ELIs (including any amounts payable by BNP Paribas under the terms of the ELIs) into shares or other securities or other obligations of BNP Paribas or of another person, including by means of an amendment, modification or variation of the contractual terms, in which case you agree to accept in lieu of your contractual rights under the terms of the ELIs any such shares, other securities or other obligations of BNP Paribas or another person;

- the cancellation of the ELIs;
- the amendment or alteration of the maturity of the ELIs or amendment of the amount of interest payable on the ELI, or the date on which the interest becomes payable, including by suspending payment for a temporary period; and/or
- the variation of the terms of the ELIs, if necessary to give effect to the exercise of the Bail-In Power by the relevant resolution authority.

Article L.613-56-9 of the French *Code monétaire et financier* specifies conditions for contractual recognition of the Bail-In Power. Any financial contract entered into by an entity referred to in Section I of Article L.613-34 of the French *Code monétaire et financier* that creates an obligation or substantially modifies an existing obligation as from 28 December 2020 and which is governed by the law of a third country shall include a clause specifying that the parties acknowledge that such obligation may be subject to the exercise by the relevant resolution authority of the Bail-In Power as if the contract was governed by the law of an EU Member State.

Accordingly, if any Bail-In Power is exercised over BNP Paribas with respect to the ELIs, you may not be able to recover all or even part of amount due under the ELIs, or you may receive a different security issued by BNP Paribas (or another person) in place of the amount (if any) due to you under the ELIs, which may be worth significantly less than the amount due to you under the ELIs at expiry.

In addition, the exercise of the Resolution Tools may also result, after any transfer of all or part of the BNP Paribas' business or separation of any of its assets, as the investors in the ELIs (even in the absence of any such write down or conversion) being left as the creditors of BNP Paribas, whose remaining business or assets is insufficient to support the claims of all or any of the creditors of BNP Paribas (including you as the investors in the ELIs). As a result, you as investors in the ELIs may suffer a loss of all or part of your investment in the ELIs should you wish to exercise any claim you may have against BNP Paribas in relation to the ELIs.

Moreover, the relevant resolution authorities may exercise the Bail-In Power without providing any advance notice to, or requiring your further consent.

There are significant risks inherent in the holding of the ELIs, including the risks in relation to their subordination, the circumstances in which the ELIs may be written down or converted to ordinary shares and the implications on investors of ELIs (such as a substantial loss), the circumstances in which such investors may suffer loss as a result of holding the ELIs are difficult to predict and the quantum of any loss incurred by investors in the ELIs in such circumstances is also highly uncertain. For more information, please also refer to the "Risk Warnings" section of this Programme Memorandum and the relevant product booklet.

HOW TO BUY THE ELIS

The ELIs are available from the distributors specified in the term sheet for a particular series. You cannot purchase the ELIs directly from us. If you wish to purchase any of the ELIs, you must contact one of the distributors. The names and contact details of the distributors are specified in the relevant term sheet and are available upon request from the offices of the product arranger at 60/F. and 63/F., Two International Finance Centre, 8 Finance Street, Central, Hong Kong.

Do I need an application form?

No, we will not issue an application form for the ELIs.

Do I have to make any confirmations?

The distributor with which you place your order will ask you to fill in its order form and to make a series of confirmations and acknowledgements. Your distributor is required to ensure that you understand and are able to give these confirmations and acknowledgements. Ask your distributor how and when the issue price for the ELIs is payable by you and for details on what confirmations and acknowledgements you may have to make.

What is the relationship between me and my distributor?

Your relationship with your distributor is governed by the customer agreement you signed with your distributor and is not controlled by us or by anything in the ELI offering documents. Your distributors may: (i) purchase the ELIs from us as principal and on sell such ELIs to you as principal; or (ii) purchase the ELIs from us acting as your agent. You should note, however, that in any event you do not have direct contractual rights to enforce the ELIs. Ask your distributor to explain if you are not familiar with these arrangements.

Your distributor should be able to explain to you how the ELIs work and to answer your questions.

How will applications be processed?

After you have placed your order with your distributor, your distributor will make an application to us for your order, aggregating any other orders it received from other investors.

We may choose to extend or close the offer period for any series of ELIs without prior notice, or withdraw offers made under a term sheet at any time.

We may also reject an application (or part of an application) from a distributor in our sole and absolute discretion. Ask your distributor for details of how and when the applicable purchase price in respect of any unsuccessful application will be refunded to you.

If we accept a distributor's order, we will send a confirmation to that distributor no later than one business day following the trade date, setting out the total amount accepted and the final terms applicable to that relevant series. Please contact your distributor for further details and for enquiries in relation to the finalised terms of the relevant series of the ELIs.

Our confirmation may aggregate applications made on behalf of a number of investors by a distributor. We will not provide any confirmation directly to you. Ask your distributor for details of how it will apportion among investors any ELIs allocated to it, how your order will be confirmed by it and how you can check your holdings in the ELIs from time to time.

SELLING RESTRICTION

General

No action has been or will be taken by us that would permit a public offering of any ELIs or possession or distribution of any offering material in relation to the ELIs in any jurisdiction (other than in Hong Kong) where action for that purpose is required.

United States of America

The ELIs have not been and will not be registered under the U.S. Securities Act of 1933 (the **Securities Act**), or the securities laws of any state or other jurisdiction of the United States. The ELIs may not be offered or sold or otherwise transferred, nor may transactions in such ELIs be executed, at any time, within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act (**Regulation S**)). In purchasing the ELIs you hereby warrant that you are not a U.S. person as defined in Regulation S and that you are not purchasing for, or for the account or benefit of, any such person.

European Economic Area

The ELIs are not and will not be offered, sold or otherwise made available to any retail investor in the European Economic Area. For the purposes of this provision:

- (a) the expression “retail investor” means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); or
 - (ii) a customer within the meaning of Directive 2016/97/EU (as amended, the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
 - (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended or superseded, the “**Prospectus Regulation**”); and
- (b) the expression “offer” includes the communication in any form and by any means of sufficient information on the terms of the offer and the ELIs to be offered so as to enable an investor to decide to purchase or subscribe the ELIs.

TAXATION

We have based this summary of the tax laws on current law and practice in Hong Kong and the United States. It is intended to give you an overview of what Hong Kong and United States tax you might have to pay if you hold the ELIs.

This summary is not complete and we are not giving you any tax advice. **You should consult your own tax adviser about the tax consequences of investing in the ELIs**, particularly if you are subject to special tax rules (for example, if you are a bank, dealer, insurance company or a tax-exempt entity under applicable laws).

HONG KONG

Withholding tax

We are not required under current law to make any withholding on account of Hong Kong tax from payments in respect of the ELIs.

Capital Gains Tax

No capital gains tax is payable in Hong Kong on any capital gains arising from a resale of the ELIs.

Profits Tax

No Hong Kong profits tax is payable in respect of dividends of any company or distributions of any fund or in respect of any gains arising from the sale of the reference stock or the ELIs, except that Hong Kong profits tax may be chargeable on any such gains where the sale or disposal is or forms part of a trade, profession or business carried on in Hong Kong.

Stamp Duty

The ELIs are not expected to be subject to Hong Kong stamp duty either when issued or on any subsequent transfer. If there is stamp duty payable on a series of ELIs, we will specify that in the relevant product booklet or term sheet.

However, if pursuant to the terms of a series of ELIs, there is any transfer of any reference asset(s) which is "Hong Kong stock" as defined in the Stamp Duty Ordinance (Cap. 117, Laws of Hong Kong), subject to the prevailing laws and regulations in Hong Kong, currently there will be stamp duty payable on the delivery of such reference asset(s) at the rate specified in the Stamp Duty Ordinance (being 0.20% as at the date of this programme memorandum) by reference to the amount of the consideration for or the value of the sale and purchase of such reference asset(s), whichever is higher. Unless a product booklet or term sheet specifies otherwise, you are liable to pay the transferee's stamp duty (as at the date of this programme memorandum being 0.10% of the amount of the consideration or the value for the sale and purchase of such reference asset(s)) arising from any transfer and receipt of such reference asset(s).

UNITED STATES

FATCA Withholding Tax for Non-U.S. Investors

Legislation commonly known as the United States Foreign Account Tax Compliance Act (“**FATCA**”), was passed in the United States on 18 March 2010. Under FATCA (and official guidance issued thereunder), BNP Paribas (as the issuer) or the distributors of the ELIs may be required to withhold moneys on account of U.S. federal tax on all, or a portion of:

- (a) any payments made in respect of the ELIs that constitute “dividend equivalents” (as described below under “Dividend Equivalent Payments”) for U.S. federal income tax purposes (such payments, “**U.S. Source Payments**”)¹; or
- (b) any “foreign passthru payments” (regardless of whether such payments have any connection to a U.S. Source Payment) made after 31 December 2018 in respect of the ELIs, subject to the exceptions described below.

Subject to the discussion below regarding the withholding on gross proceeds under the Proposed Regulations (as defined below), FATCA withholding tax can affect both coupon or periodic payments and “gross proceeds” (including any payment of the settlement at maturity).

As discussed in more details below under “Dividend Equivalent Payments”, the payments made with respect to an ELI will not constitute “dividend equivalents” and therefore will not constitute U.S. Source Payments. In addition, based on the provisions of FATCA, current regulations issued thereunder and other related official guidance issued by the U.S. Internal Revenue Service (the “**IRS**”), we do not expect any payments made with respect to an ELI to constitute “foreign passthru payments” because the ELI will be issued on or before (and is not materially modified after) the date that is six months after the date on which final regulations defining the term “foreign passthru payment” are filed with the U.S. Federal Register (the “**Grandfather Date**”). As of the date of this Programme Memorandum, no final regulation defining the term “foreign passthru payment” has been filed with the U.S. Federal Register.

Recently issued proposed regulations (the “**Proposed Regulations**”) would eliminate FATCA withholding tax on “gross proceeds” and delay the withholding on “foreign passthru payments” until the date that is two years after the date of publication in the U.S. Federal Register of final regulations defining the term “foreign passthru payment” (the “**Delayed Withholding Effective Date**”). As of the date of this Programme Memorandum, no such final regulation has been published in the U.S. Federal Register. Taxpayers generally may rely on the Proposed Regulations until the final regulations are issued. There is no assurance, however, that the final regulations, once issued, will not reinstate this withholding obligation (or otherwise modify the Proposed Regulations), possibly with retroactive effect. We do not expect any ELI issued will provide for any payments on or after the Delayed Withholding Effective Date.

Based on the foregoing, the ELI does not provide for payments that are U.S. Source Payments or “foreign passthru payments”. Therefore, on the basis of the current regulations, the Proposed Regulations and official guidance, payments made with respect to the ELIs issued under the relevant product booklet will not be subject to FATCA withholding tax.

The FATCA provisions are particularly complex, and their application is uncertain at this time. You should consult your own tax adviser as to the application of FATCA, the current regulations, the Proposed Regulations, official guidance and the above analysis to the ELIs, including the possibility of meeting certain documentation requirements to be exempt from FATCA withholding tax.

¹ Under the applicable U.S. federal income tax rules, unless payments made under the ELIs constitute “dividend equivalents”, meaning payments that are linked to the value of, or dividends on, stock issued by an entity that is treated as a U.S. corporation (or by any other entity the dividends of which would be U.S. source), such payments will not be treated as U.S. Source Payments because the payments will be made by us, being a non-U.S. entity.

Dividend Equivalent Payments

Under section 871(m) of the U.S. Internal Revenue Code and the official guidance issued thereunder (the “**Section 871(m) Rules**”), payments or deemed payments with respect to equity-linked instruments that are “**Specified ELIs**” (as defined in the applicable U.S. Treasury regulations) may be treated as “dividend equivalents”, if such Specified ELIs reference the value of one or more “underlying securities”, which generally mean any interest in an entity that is treated as a U.S. corporation for U.S. federal income tax purposes if that interest could give rise to a U.S. source dividend. A withholding tax at a rate of 30% (or a lower rate under an applicable income tax treaty) is imposed on such dividend equivalents if paid to a Non-U.S. Investor. The withholding tax can apply even if the instrument does not provide for payments that reference dividends. The U.S. Treasury regulations provide that the withholding tax applies to all payments or deemed payments with respect to Specified ELIs that have a “delta”² (as defined in the applicable U.S. Treasury regulations) of one (“**Delta-One Specified ELIs**”) issued after 2016 and to all payments or deemed payments with respect to all other Specified ELIs issued after 2018. However, the IRS has issued guidance that states that the U.S. Treasury Department and the IRS intend to amend the effective dates of the Treasury regulations to provide that payments or deemed payments with respect to Specified ELIs that are not Delta-One Specified ELIs and are issued before (and is not materially modified after) 1 January 2027 do not constitute “dividend equivalents” and will not be subject to withholding tax under the Section 871(m) Rules (the “**Grandfather/Delta Exemption**”).

The Single US Stock ELIs, Basket US Stocks ELIs, Single BEN US Stock ELIs and Basket BEN US Stocks ELIs (collectively, the “**US Stock ELIs**”) may be classified as the Specified ELIs unless the Grandfather/Delta Exemption applies.

Our outside counsel has conducted extensive analysis on whether the US Stock ELIs are classified as the Specified ELIs and the applicability of the Grandfather/Delta Exemption. After obtaining the advice of our outside counsel, we have determined and concluded that the US Stock ELIs should not be classified as the Specified ELIs, and, in the event the US Stock ELIs are treated as the Specified ELIs, the Grandfather/Delta Exemption will apply. Therefore, the payments made under the US Stock ELIs do not constitute “dividend equivalents” and will not be subject to withholding tax under the Section 871(m) Rules.

However, Non-U.S. Investors that enter, or have entered, into other transactions in respect of the underlying U.S. stock could be subject to such U.S. withholding tax if the investment in the US Stock ELIs and the other transactions combined replicate the economics of a transaction that would be subject to the U.S. withholding tax under the Section 871(m) Rules. You should note that the Section 871(m) Rules are complex, and their application may depend on your particular circumstances, including whether you enter into other transactions with respect to the underlying U.S. stock. In addition, the IRS may successfully argue that the payments made under the US Stock ELIs are treated as “dividend equivalents”. You should, prior to your investment in the US Stock ELIs, consult your own tax adviser regarding the application of the Section 871(m) Rules arising from such investment.

² In general terms, the “delta” of a Specified ELI is a ratio that compares the change in the price of the relevant underlying assets (the U.S. stock in our case) with the change in the price of the derivatives (the ELIs in our case). The higher the delta is, the closer the Specified ELIs will track the underlying assets. For example, if a Specified ELI has a delta of one, then it would be expected that changes in the value of the Specified ELI and changes in the value of the relevant underlying assets would mirror each other exactly.

The above summary only applies to you if you are a “**Non-U.S. Investor**”. You are a Non-U.S. Investor unless you are: (1) an individual citizen or resident of the United States, (2) a corporation that is formed or organized under the laws of the United States, any state thereof or the District of Columbia, or any entity that is taxable as a corporation so formed or organized, (3) an estate that is subject to U.S. federal income taxation regardless of its source, or (4) a trust that is subject to the jurisdiction of a U.S. court and for which one or more “United States persons” (as defined in the U.S. Internal Revenue Code) control all of the substantial decisions, or has otherwise made an appropriate election under the U.S. Treasury regulations. If you are an investor treated as a partnership for U.S. federal income tax purposes, FATCA and Section 871(m) withholding tax may apply to you and your beneficial owners based on your and your beneficial owners’ activities and status, and you should consult your own tax adviser regarding any FATCA and Section 871(m) withholding tax consideration arising from your investment in the ELIs.

OTHER INFORMATION ABOUT OUR PROGRAMME

WE (AS THE ISSUER AND THE PRODUCT ARRANGER) TAKE RESPONSIBILITY FOR THIS PROGRAMME MEMORANDUM

This programme memorandum, together with the other ELI offering documents, include particulars given in compliance with the Code on Unlisted Structured Investment Products (the Code) issued by the SFC for the purpose of giving information with regard to us (as the issuer and the product arranger), the ELIs and the programme. We (as the issuer and the product arranger) accept full responsibility for the contents of, and the completeness and accuracy of the information contained in the ELI offering documents and confirm, having made all reasonable enquiries, that to the best of our knowledge and belief there is no untrue or misleading statement, or other facts the omission of which would make any statement therein untrue or misleading.

We (as the issuer and the product arranger) confirm that we meet the eligibility requirements applicable to issuers and product arrangers respectively under the Code and the ELIs comply with the Code.

Information included on the websites referred to in this programme memorandum does not form part of this programme memorandum.

The distributors which sell the ELIs are not responsible in any way to ensure the accuracy of the ELI offering documents.

WE WILL UPDATE THIS PROGRAMME MEMORANDUM, THE RELEVANT PRODUCT BOOKLET AND THE FINANCIAL DISCLOSURE DOCUMENT WHENEVER WE OFFER ELIS, IF NECESSARY

This programme memorandum is accurate as at the date of this programme memorandum. You must not assume, however, that information in this programme memorandum is accurate at any time after the date of this programme memorandum.

If the information in this programme memorandum, the relevant product booklet or the financial disclosure document needs to be updated at the time we issue an indicative term sheet for a series of the ELIs, we will either put the updated information in the relevant indicative term sheet or in an addendum to this programme memorandum, the relevant product booklet or the financial disclosure document. The relevant indicative term sheet will tell you whether an addendum to this programme memorandum, the relevant product booklet and/or the financial disclosure document has been published. Whenever an addendum is published, you should read this programme memorandum, the financial disclosure document, the relevant product booklet and the relevant indicative term sheet as including the addendum, starting from the date of the addendum, wherever we refer to such documents.

If an addendum to this programme memorandum, the relevant product booklet and/or the financial disclosure document is published during an offer period for a series of ELIs, we will, as soon as practicable, notify the distributors who will in turn notify those investors who have placed an order for that series of ELIs. Those investors will be given the opportunity to cancel their purchase order within a limited period of time as notified to them by their distributors. Neither we nor your distributor will charge you any fees for such cancellation. Please check with your distributor for further details.

ONGOING DISCLOSURE OBLIGATIONS

We (as the issuer and the product arranger) will keep the SFC and the distributor(s) informed as soon as reasonably practicable if (a) we (as the issuer) cease to meet any eligibility requirements applicable to issuers under the Code; (b) we (as the product arranger) cease to meet any eligibility requirements applicable to product arrangers under the Code; and (c) to the extent permitted by any applicable law, there are changes in our financial condition or other circumstances which could reasonably be expected to have a material adverse effect on our ability (as the issuer) to fulfil our commitment in connection with the ELIs. You will have to rely on your distributor to in turn inform you. Please contact your distributor for further details.

WHERE YOU CAN READ COPIES OF THE DOCUMENTATION FOR OUR PROGRAMME

This programme memorandum contains only a summary description of our programme and the ELIs and provides a description of our business and corporate information. To find out more, you can read copies of the documents set out below free of charge by going to the offices of the product arranger at 60/F. and 63/F., Two International Finance Centre, 8 Finance Street, Central, Hong Kong. These offices are open only during normal business hours and not on Saturdays, Sundays or public holidays.

These are the documents which we will keep on display during an offer period for any series of the ELIs and while any of the ELIs remains outstanding:

- a certified true copy of our articles of association (in English language version only);
- a copy of this programme memorandum and any updating addendum (in separate English and Chinese language versions);
- a copy of the financial disclosure document and any updating addendum, which contains our most recently published audited financial statements and/or unaudited interim financial statements (in separate English and Chinese language versions);
- a copy of the relevant product booklet and any updating addendum (in separate English and Chinese language versions);
- a copy of the relevant indicative and (when available) final term sheet in respect of a series of ELI (in separate English and Chinese language versions);
- a certified true copy of the deed of covenant (in English language version only);
- a certified true copy of the global certificate of the relevant series of ELI (in English language version only);
- an English translation of the certified true copy of the report of our auditors (to the extent such report is included in the financial disclosure document or any addendum);
- a certified true copy of the letter from our auditors consenting to the reproduction of their report in the financial disclosure document or any addendum to the financial disclosure document (in English language version only); and
- a copy of any notices given by us under the terms and conditions of the ELIs (in separate English and Chinese language versions).

A reasonable fee will be charged if you want to take photocopies of any of the documents whilst they are on display.

THE ELI OFFERING DOCUMENTS DO NOT CONSTITUTE A PROSPECTUS

The ELI offering documents do not constitute a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32, Laws of Hong Kong). None of these documents will be lodged or registered under the securities laws of any jurisdiction outside Hong Kong and these documents will not be registered with or approved by any regulatory authority outside Hong Kong. You should observe any applicable restrictions in the relevant jurisdiction in making an investment in the ELIs.

INFORMATION ABOUT US

History

- 1966: Creation of BNP on 23 September 1966
- The merger of BNCI and CNEP to form BNP represented the largest restructuring operation in the French banking sector since the end of the Second World War.
- 1968: Creation of Compagnie Financière de Paris et des Pays-Bas
- 1982: Nationalisation of BNP and Compagnie Financière de Paris et des Pays-Bas at the time of the nationalisation of all French banks
- In the 1980s, deregulation of the banking sector and the growing tendency of borrowers to raise funds directly on the financial market transformed the banking business in France and worldwide.
- 1987: Privatisation of Compagnie Financière de Paribas
- With 3.8 million individual shareholders, Compagnie Financière de Paribas had more shareholders than any other company in the world. Compagnie Financière de Paribas owned 48% of the capital of Compagnie Bancaire.
- 1993: Privatisation of BNP
- BNP's return to the private sector represented a new start. The 1990s were marked by a change in the level of profitability of the Bank, which had the highest return on equity of any major French institution in 1998. This period was marked by the launch of new banking products and services, the development of activities on the financial markets, expansion in France and at the international level, and preparation for the advent of the euro.
- 1998: Creation of Paribas
- On 12 May 1998, the merger between Compagnie Financière de Paribas, Banque Paribas and Compagnie Bancaire was approved.
- 1999: A momentous year for the Group
- Following an unprecedented double tender offer and a stock market battle waged over six months, BNP was in a position to carry out a merger of equals with Paribas. For both groups, this was the most important event since their privatisation. It gave rise to a new Group with tremendous prospects. At a time of economic globalisation, the merger created a leading player in the European banking sector.
- 2000: Creation of BNP Paribas
- BNP and Paribas merged on 23 May 2000.
- The new Group derived its strength from the two major financial and banking lines from which it descends. It has two goals: to create value for shareholders, clients and employees by building the bank of the future, and to become a leading global player.
- 2006: Acquisition of BNL in Italy
- BNP Paribas acquired BNL, Italy's 6th-largest bank. This acquisition transformed BNP Paribas, providing it with access to a second domestic market in Europe. In both Italy and France, all of the Group's business lines can now develop their activities by leveraging a nationwide banking network.

- 2009: Merger with the Fortis group
BNP Paribas took control of Fortis Bank and BGL (Banque Générale du Luxembourg).
- 2012: Launch of Hello bank!
- 2015: Acquisition of BGZ Polska in Poland, which will become BNP Paribas Bank Polska
- 2017: Acquisition of Nickel, which offers payment solutions that are accessible to all, directly online or at tobacconists, without conditions of resources
- 2020: Agreement with Deutsche Bank for the takeover of its Prime Brokerage business
- 2023: Closing of the sale of Bank of the West to BMO Financial Group

Key figures — Ratings

BNP Paribas, Europe's leading provider of banking and financial services, has four domestic retail banking markets in Europe, namely in Belgium, France, Italy and Luxembourg.

It operates in 63 countries and has almost 183,000 employees, over 145,000 in Europe. BNP Paribas' organisation is based on three operating divisions:

- **Corporate and Institutional Banking** division, combines:
 - Global Banking,
 - Global Markets, and
 - Securities Services;
- **Commercial, Personal Banking & Services** division, covers:
 - Commercial & Personal Banking in the Euro-zone:
 - Commercial & Personal Banking in France (CPBF),
 - BNL banca commerciale (BNL bc), Italian Commercial & Personal Banking,
 - Commercial & Personal Banking in Belgium (CPBB),
 - Commercial & Personal Banking in Luxembourg (CPBL);
 - Commercial & Personal Banking outside the Euro-zone, organised around:
 - Europe-Mediterranean, covering Commercial & Personal Banking outside the Euro-zone, in particular in Central and Eastern Europe, Türkiye and Africa,

- Specialised Businesses:
 - BNP Paribas Personal Finance,
 - Arval and BNP Paribas Leasing Solutions,
 - New Digital Businesses (in particular Nickel, Floa, Lyf) and BNP Paribas Personal Investors;
- **Investment and Protection Services** division, combines:
 - Insurance (BNP Paribas Cardif),
 - Wealth and Asset Management: BNP Paribas Asset Management, BNP Paribas Real Estate, the management of the BNP Paribas Group's portfolio of unlisted and listed industrial and commercial investments (BNP Paribas Principal Investments) and BNP Paribas Wealth Management.

BNP Paribas SA is the parent company of the BNP Paribas Group.

Capital Stock

As at 30 June 2024, BNP Paribas' share capital stood at EUR2,261,621,342 divided into 1,130,810,671 shares.

Share ownership

Dates

	30/06/2024		
	Number of shares (in millions)	% of share capital	% of voting rights
Shareholders			
BlackRock Inc.	67.94⁽¹⁾	6.0%	6.0%
SPFI⁽²⁾	63.22⁽³⁾	5.6%	5.6%
Amundi	57.54⁽⁴⁾	5.1%	5.1%
Grand Duchy of Luxembourg	12.87	1.1%	1.1%
Employees	52.32	4.7%	4.7%
• of which Group FCPE ⁽⁵⁾	41.47	3.7%	3.7%
• of which directly held	10.85	1.0% ^(*)	1.0% ^(*)
Corporate officers	0.30	NS	NS
Treasury shares⁽⁶⁾	1.54	0.1%	—
Individual shareholders⁽⁷⁾	72.28	6.4%	6.4%
Institutional investors⁽⁷⁾	802.80	71.0%	71.1%
• European	425.62	37.6%	37.7%
• Non-European	377.18	33.4%	33.4%
Other and unidentified⁽⁷⁾	—	—	—
TOTAL	<u>1,130.81</u>	<u>100.0%</u>	<u>100.0%</u>

(1) According to the statement by BlackRock dated 27 June 2024.

(2) Société Fédérale de Participations et d'Investissement: a public-interest limited company (société anonyme) acting on behalf of the Belgian State.

(3) According to the statement by SFPI dated 10 July 2024.

(4) According to the statement by Amundi dated 7 May 2024.

(5) The voting rights of the FCPE (profit-sharing scheme) are exercised, after the decision is taken by the Supervisory Board, by its Chairman.

(6) Excluding trading desks' inventory positions and including securities purchased under the 2023 and 2024 share repurchase program (NB: these acquired shares will be cancelled).

(7) Based on analyses from the SRD2 surveys — Institutional investors excluding BlackRock and Amundi.

(*) *Of which 0.4% for the shares referred to in article L.225-102 of the French Commercial Code to determine the threshold above which the appointment of a director representing employee shareholders must be proposed.*

The sum of values contained in the tables may differ slightly from the total reported due to rounding.

Further information

For more information on BNP Paribas, please visit <http://invest.bnpparibas.com/en>.

Board of Directors

The following table sets forth the names of the current members of the Board of Directors and their current functions at the Bank as at 14 May 2024, except where specified:

- **Jean Lemierre**, principal function: Chairman of the Board of directors of BNP Paribas
- **Jean-Laurent Bonnafé**, principal function: Director and Chief Executive Officer of BNP Paribas
- **Jacques Aschenbroich**, principal function: Chairman of Orange
- **Juliette Brisac** (Director representing employee shareholders), principal function: Chief Operating Officer of BNP Paribas Group Company Engagement Department
- **Monique Cohen**, principal function: Senior Advisor of Seven2
- **Hugues Epailard** (Director elected by employees), principal function: Real Estate Business Manager, BNP Paribas
- **Vanessa Lepoutier** (Director elected by employees), principal function: BNP Paribas Wealth Advisor
- **Marion Guillou**, principal function: Independent director
- **Lieve Logghe**, principal function: Chief Financial Officer of Boortmalt International
- **Marie-Christine Lombard**, principal function: (Présidente du Directoire) Chairman of the Executive Board of Géodis
- **Christian Noyer**, principal function: Director of companies
- **Daniela Schwarzer**, principal function: Member of the Executive Board of the Bertelsmann Foundation
- **Annemarie Straathof**, principal function: Director of companies
- **Michel Tilmant**, principal function: Director of companies
- **Bertrand De Mazieres**, principal function: Independent director

The address for service of process of the above directors is 60th and 63rd Floors, Two International Finance Centre, 8 Finance Street, Central, Hong Kong.

APPENDIX A

FURTHER INFORMATION ON CREDIT RATINGS

These are guidelines issued by Standard & Poor and Moody's on what each of their investment-grade ratings means as at the date of this programme memorandum. We have correctly extracted and reproduced such information and take responsibility for such extraction and reproduction. There can be no assurance that the meaning of any such rating will not be revised by the relevant rating agency in the future and we have no responsibility to notify you of such change. If you are unsure about any information provided under this Appendix A and/or what a credit rating means, you should seek independent professional advice.

A credit rating is an assessment by a credit rating agency of a company's overall financial capacity to pay its debts. The focus is on the company's capacity to pay its debts as they become due. The rating does not necessarily apply to any specific obligation.

These are guidelines issued by Standard & Poor and Moody's on what each of their investment-grade ratings means as at the date of this programme memorandum.

Standard & Poor long-term issuer credit ratings

AAA

An obligor rated 'AAA' has extremely strong capacity to meet its financial commitments. 'AAA' is the highest issuer credit rating assigned by Standard & Poor.

AA

An obligor rated 'AA' has very strong capacity to meet its financial commitments.

A

An obligor rated 'A' has strong capacity to meet its financial commitments but is somewhat susceptible to economic conditions and changes in circumstances.

BBB

An obligor rated 'BBB' has adequate capacity to meet its financial commitments, but is more subject to adverse economic conditions.

Plus (+) or minus (-)

The above ratings (except for 'AAA') may be modified by the addition of a plus or minus sign to show relative standing within the major rating categories.

Please refer to <https://www.spglobal.com/ratings/en/about/intro-to-credit-ratings> (in English language version only) for further details. If you do not understand what these credit ratings mean, you should obtain independent professional advice.

Moody's long-term ratings definitions

Aaa

Obligations rated Aaa are judged to be of the highest quality, with minimal risk.

Aa

Obligations rated Aa are judged to be of high quality and are subject to very low credit risk.

A

Obligations rated A are considered upper-medium grade and are subject to low credit risk.

Baa

Obligations rated Baa are subject to moderate credit risk. They are considered medium-grade and as such may possess speculative characteristics.

Modifiers "1", "2" and "3"

Moody's appends numerical modifiers 1, 2 and 3 to each of the above generic rating classifications (except for Aaa). The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.

Please refer to <https://ratings.moody's.io/ratings> (in English language version only) for further details. If you do not understand what these credit ratings mean, you should obtain independent professional advice.

Rating outlooks

A rating outlook indicates the potential direction of a long-term credit rating over the intermediate term (for example, this is typically six months to two years for Standard & Poor). A rating outlook issued by Standard & Poor or Moody's will usually indicate whether the potential direction is likely to be "positive", "negative", "stable" or "developing". Please refer to the abovementioned websites of the relevant credit rating agencies for further details regarding rating outlooks published by the relevant credit rating agencies.

**REGISTERED OFFICE OF THE ISSUER AND
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