

Second Supplement dated 15 September 2020
to the Euro Medium Term Note Programme Base Prospectus dated 3 July 2020



BNP PARIBAS

(incorporated in France)

(as Issuer)

€90,000,000,000

EURO MEDIUM TERM NOTE PROGRAMME

This second supplement (the "**Second Supplement**") is supplemental to, and should be read in conjunction with, the base prospectus dated 3 July 2020 (the "**Base Prospectus**") and the first supplement to the Base Prospectus dated 10 August 2020 (the "**First Supplement**"), in each case, in relation to the €90,000,000,000 Euro Medium Term Note Programme (the "**Programme**") of BNP Paribas ("**BNPP**", the "**Bank**", or the "**Issuer**").

The Base Prospectus and the First Supplement constitute a base prospectus for the purposes of Article 8 of the Prospectus Regulation. "**Prospectus Regulation**" means Regulation (EU) 2017/1129 of 14 June 2017 (as amended). The Base Prospectus received approval no. 20-314 on 3 July 2020 and the First Supplement received approval no.20-388 on 10 August 2020 from the *Autorité des marchés financiers* (the "**AMF**"). Application has been made to the AMF for approval of this Second Supplement in its capacity as competent authority under the Prospectus Regulation.

BNPP accepts responsibility for the information contained in this Second Supplement. To the best of the knowledge of BNPP (who has taken all reasonable care to ensure that such is the case), the information contained herein is, subject as provided in the preceding sentence, in accordance with the facts and does not omit anything likely to affect the import of such information.

Unless the context otherwise requires, terms defined in the Base Prospectus, as amended by the First Supplement, shall have the same meanings when used in this Second Supplement.

To the extent that there is any inconsistency between (i) any statement in this Second Supplement and (ii) any statement in, or incorporated by reference in, the Base Prospectus, as amended by the First Supplement, the statement referred to in (i) above will prevail.

References in this Second Supplement to paragraphs of the Base Prospectus are to the Base Prospectus as amended by the First Supplement. References in this Second Supplement to page numbers in the Base Prospectus are to the page numbers in the Base Prospectus without taking into account any amendments made in the First Supplement.

Copies of this Second Supplement will be available on the website of BNP Paribas (<https://rates-globalmarkets.bnpparibas.com/gm/Public/LegalDocs.aspx>) and on the website of the AMF (www.amf-france.org).

This Second Supplement has been prepared in accordance with Article 23 of the Prospectus Regulation, for the purposes of giving information which amends or is additional to the information already contained in the Base Prospectus.

This Second Supplement has been prepared for the purposes of:

- (A) amending the "Risks" section; and
- (B) incorporating by reference the fifth *Amendement au Document d'Enregistrement Universel au 31 décembre 2019* dated 2 September 2020 (in English) (the "**Fifth Amendment to the BNPP 2019 Universal Registration Document (in English)**").

The incorporation by reference referred to in (B) above has been made to update the disclosure for BNPP. The amendments referred to in (A) above have been made to reflect the updated BNPP disclosure referred to in (B) above.

In accordance with Article 23(2) of the Prospectus Regulation, in the case of an offer of Notes to the public, investors who have already agreed to purchase or subscribe for Notes issued under the Programme before this Second Supplement is published, have the right, exercisable before the end of the period of two working days beginning with the working day after the date of publication of this Second Supplement to withdraw their acceptances. This right to withdraw shall expire by close of business on 17 September 2020. Investors can exercise their right to withdraw their acceptances by contacting the person from whom any such investor has agreed to purchase or subscribe for such Notes before the above deadline.

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AMENDMENTS TO THE RISKS SECTION

The "Risks" section on pages 25 to 68 of the Base Prospectus is amended as follows:

- (a) the first paragraph under the heading "**Risks Relating to the Bank and its Industry**" on page 25 of the Base Prospectus (which was amended by virtue of the First Supplement) is deleted and replaced with the following:

"See "Risk Factors" under Chapter 5 on pages 276 to 288 of the BNPP 2019 Universal Registration Document (in English), pages 3 and 4 of the First Amendment to the BNPP 2019 Universal Registration Document (in English), pages 76 to 79 of the Second Amendment to the BNPP 2019 Universal Registration Document (in English), page 215 of the Fourth Amendment to the BNPP 2019 Universal Registration Document (in English) and pages 4 to 6 of the Fifth Amendment to the BNPP 2019 Universal Registration Document (in English) (each as defined below), each of which is incorporated by reference in this document."; and

- (b) the paragraphs under the sub-heading "*7.1 Epidemics and pandemics, including the ongoing coronavirus (COVID-19) pandemic and their economic consequences may adversely affect the Bank's business, operations, results and financial condition.*" starting on page 39 of the Base Prospectus under the heading "**7. Risks related to the Bank's growth in its current environment**" (which were amended by virtue of the First Supplement) are amended as follows:

- (i) the fourth, fifth and sixth paragraphs are deleted and replaced with the following:

"The 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 Group operates, in particular its domestic markets (France, Italy, Belgium and Luxembourg which collectively represent 53 per cent. of its total gross credit exposures as at 30 June 2020), have significantly reduced economic activity to recessionary levels and a substantial prolongation or reinstatement of such measures would have a similar effect. The 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. This context affected the revenues of the Group's Domestic Markets and International Financial Services divisions, which are down by 3.2 per cent. and 5.4 per cent., respectively, in the first half of 2020 compared to the first half of 2019, even though the Group's revenues grew by 0.9 per cent. due to the strong growth of its CIB division. The main impact of the health crisis was the rise in the cost of risk (increased from 1.5 billion euros to 2.9 billion euros). Net income attributable to equity holders totalled 3.6 billion euros, down by 18.4 per cent. compared to the first half of 2019, in connection with the rise in the cost of risk. The sectors most adversely affected to date include the travel and tourism sectors. The Group's exposure to the aircraft sector (e.g. airlines and lessors) and to the tourism sector each represented approximately 1 per cent. of its total gross credit exposures as at 30 June 2020. The non-food retail sector has been affected by the lockdown measures; this sector represents less than 1 per cent. of the Group's total gross credit exposures as of 30 June 2020. The transport and storage (excluding shipping) sector, which represents approximately 3 per cent. of the Group's total gross credit exposures as of 30 June 2020, 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 unravelling of the OPEC/Russia production cooperation. This sector represented approximately 2 per cent. of the Group's total gross credit exposures as of 30 June 2020. The 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 an increase in the Group's cost of risk.

An immediate financial effect of the health crisis is the impact on the Group's cost of risk, which reflects macroeconomic expectations based on several scenarios, in accordance with the set-up existing prior to the health crisis. In the 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 the markets in which the Group operates. 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 also includes an ex-ante sector component based on a review of several sensitive sectors (such as, hotels, tourism and leisure; non-food retail (excluding home furnishings and e-commerce); transport and logistics; and oil and gas). All these elements contributed to the substantial increase in the Group's cost of risk in the first half of 2020 (66 basis points), and could likewise contribute to continued high cost of risk in the following quarters, depending on macroeconomic scenarios and, in particular, the current uncertainties around the course of the pandemic and its economic consequences going forward. The impact of the health crisis on the cost of risk amounted to 502 million euros. In the second quarter of 2020, the updating of macroeconomic scenarios, in line with IFRS 9 principles, led to a 329 million euro increase in the ex-ante provisioning of expected losses (including their sectoral component). Under the baseline scenario, a gradual recovery is forecast, with a return to GDP levels comparable to 2019 by mid-2022 unless a new crisis occurs (see slide 12, "*Cost of Risk*" on page 24 of the Fourth Amendment to the BNPP 2019 Universal Registration Document (in English)) and in the consolidated financial statements set out in the Fourth Amendment to the BNPP 2019 Universal Registration Document (in English) (see Note 2.h on page 133 of the Fourth Amendment to the BNPP 2019 Universal Registration Document (in English)). 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. The Group's exposure to increased cost of risk could also result from its participation in government-guaranteed loan programmes (given its residual exposure) and the existence of forbearance periods limiting credit-protection measures (such as payment acceleration) under emergency health legislation in various markets.

The 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 (including, 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 Group's market activities, which accounted for 12 per cent. 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 (notably, 184 million euros in the first quarter of 2020 related to the European authorities' restrictions on 2019 dividends). Moreover, certain of the Group's investment portfolios (e.g. in its insurance subsidiaries) are accounted for on a mark to market basis and thus have been impacted by deteriorated market conditions in the first quarter of 2020 and could be impacted again in the future."; and

- (ii) the last paragraph is deleted and replaced with the following:

"Uncertainty as to the duration and extent of the course of the pandemic as well as the pace of emergence from lockdowns and loosening of restrictions on mobility and other restrictions makes the overall impact on the economies of the 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 Group's results and financial condition will 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, including the prospect of additional waves and hence of a reinstatement of containment measures in the various markets where the Group operates. Public health measures had a negative impact on the activity of certain business lines and geographical areas of the Group, in particular within the Group's Domestic Markets and International Financial Services divisions, with a decrease in transaction flows and lower loan production (in particular, consumer loans with the closure of the partners' points of sale). A low point was observed in April and May 2020 followed by a rebound in June (see slide 5, "*Impact of health crisis on activity*" on page 21 of the Fourth Amendment to the BNPP 2019 Universal Registration Document (in English)). In addition, while central bank and government actions and support measures taken in response to the pandemic have to date attenuated, and may well continue to help attenuate, the adverse economic and market consequences of the pandemic, they have also issued and may issue additional restrictions or recommendations in respect of banks' actions (in particular, the recommendation issued by the European Central Bank on 27 March 2020). In particular, the measures 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 2 April 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 1 October 2020 regarding a possible distribution of reserves to shareholders. The Group has acknowledged the temporary and exceptional extension of the ECB's recommendation not to pay dividends until 1 January 2021, which was announced on 28 July 2020."

DOCUMENTS INCORPORATED BY REFERENCE

On 2 September 2020, BNPP filed with the AMF the fifth *Amendement au Document d'Enregistrement Universel au 31 décembre 2019*.

An English version of the fifth *Amendement au Document d'Enregistrement Universel au 31 décembre 2019* has been filed with the AMF on 2 September 2020 for the purposes of the Prospectus Regulation and, by virtue of this Second Supplement, other than the sections entitled "Persons Responsible for the Universal Registration Document" and the "Table of Concordance", is incorporated in, and forms part of, the Base Prospectus.

The "**DOCUMENTS INCORPORATED BY REFERENCE**" section on pages 95 to 105 of the Base Prospectus is amended as follows:

- (a) the word "and" at the end of paragraph (h) is deleted;
- (b) the "," at the end of paragraph (i) is deleted and replaced with "; and";
- (c) the following paragraph (j) is added under paragraph (i):

"(j) the fifth *Amendement au Document d'Enregistrement Universel au 31 décembre 2019* (in English) (other than the sections entitled "Persons Responsible for the Universal Registration Document" and the "Table of Concordance") with filing number D.20-0097-A05 (the "**Fifth Amendment to the BNPP 2019 Universal Registration Document (in English)**"),"; and
- (d) the following table is inserted immediately following the table entitled "**FOURTH AMENDMENT TO THE BNPP 2019 UNIVERSAL REGISTRATION DOCUMENT (in English)**":

FIFTH AMENDMENT TO THE BNPP 2019 UNIVERSAL REGISTRATION DOCUMENT (in English)	
<i>https://invest.bnppparibas.com/sites/default/files/documents/bnp_paribas_-5th_amendment_to_2019_urd-020920.pdf</i>	
Headings as listed by Annex I of European Commission Delegated Regulation (EU) 2019/980 of 14 March 2019	
1. Persons responsible	
1.5 Competent Authority approval	Pages 2 and 3 of the Fifth Amendment to the BNPP 2019 Universal Registration Document (in English)
2. Statutory auditors	Page 8 of the Fifth Amendment to the BNPP 2019 Universal Registration Document (in English)
3. Risk factors	Pages 4 to 6 of the Fifth Amendment to the BNPP 2019 Universal Registration Document (in English)
18. Financial information concerning the issuer's assets and liabilities, financial position, and profits and losses	
18.7 Significant change in the Issuer's financial or trading position	Page 7 of the Fifth Amendment to the BNPP 2019 Universal Registration Document (in English)

21. Documents on display	Page 7 of the Fifth Amendment to the BNPP 2019 Universal Registration Document (in English)
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RESPONSIBILITY STATEMENT

I hereby certify that, to the best of my knowledge, the information contained in this Second Supplement is in accordance with the facts and contains no omission likely to affect its import.

BNP Paribas
16 boulevard des Italiens
75009 Paris
France

Represented by Michel Konczaty
in his capacity as Deputy Chief Operating Officer

Dated 15 September 2020



This Second Supplement has been approved by the AMF, in its capacity as competent authority under Regulation (EU) 2017/1129. The AMF has approved this Second Supplement after having verified that the information it contains is complete, coherent and comprehensible within the meaning of Regulation (EU) 2017/1129.

This approval is not a favourable opinion on the Issuer and on the quality of the Notes described in the Base Prospectus (as amended by the First Supplement and this Second Supplement). Investors should make their own assessment of the opportunity to invest in such Notes.

This Second Supplement has been approved on 15 September 2020. This Second Supplement obtained the following approval number: n°20-459.