



**BNP PARIBAS**

23. Dezember 2019

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**BNP Paribas Emissions- und Handelsgesellschaft mbH**

**Frankfurt am Main**

**("Emittentin")**

NACHTRAG

GEMÄß § 16 ABS. 1 WERTPAPIERPROSPEKTGESETZ IN DER ZUM ZEITPUNKT DER  
BILLIGUNG DES JEWEILIGEN BASISPROSPEKTS GELTENDEN FASSUNG ("**WPPG A.F.**")

ZU DEN FOLGENDEN BASISPROSPEKTEN NACH § 6 WPPG A.F.

(DIE "**PROSPEKTE**")

Nachtrag Nr. 3 zum

Prospekt Nr. 1:

Basisprospekt

vom 4. Juli 2019

zur Neuemission sowie zur Fortsetzung des öffentlichen Angebots und zur Erhöhung des  
Emissionsvolumens von Optionsscheinen

Nachtrag Nr. 3 zum

Prospekt Nr. 2:

Basisprospekt

vom 25. Juni 2019

zur Neuemission sowie zur Fortsetzung des öffentlichen Angebots und zur Erhöhung des  
Emissionsvolumens von Express-Zertifikaten

Nachtrag Nr. 3 zum

Prospekt Nr. 3:

Basisprospekt

vom 11. Juli 2019

zur Neuemission sowie zur Fortsetzung des öffentlichen Angebots und zur Erhöhung des  
Emissionsvolumens von Zertifikaten, Aktienanleihen, Anleihen

Nachtrag Nr. 3 zum

Prospekt Nr. 4:

Basisprospekt

vom 12. Juli 2019

zur Neuemission sowie zur Fortsetzung des öffentlichen Angebots und zur Erhöhung des Emissionsvolumens von Wertpapieren (Anleihen und Zertifikate) mit einer Rückzahlung zu 100 % des Nennwerts am Laufzeitende

Nachtrag Nr. 3 zum

Prospekt Nr. 5:

Basisprospekt

vom 11. Juli 2019

zur Neuemission sowie zur Fortsetzung des öffentlichen Angebots und zur Erhöhung des Emissionsvolumens von Wertpapieren (Anleihen und Zertifikate)

Nachtrag Nr. 3 zum

Prospekt Nr. 6:

Basisprospekt

vom 28. Mai 2019

zur Neuemission sowie zur Fortsetzung des öffentlichen Angebots und zur Erhöhung des Emissionsvolumens von  
Faktor Long Zertifikaten (ohne Laufzeitbegrenzung)  
Faktor Short Zertifikaten (ohne Laufzeitbegrenzung)

**Anleger, die vor der Veröffentlichung dieses Nachtrags eine auf den Erwerb oder die Zeichnung von Wertpapieren, die unter Endgültigen Bedingungen zu den vorgenannten Basisprospekten bis zum Datum dieses Nachtrags begeben wurden, gerichtete Willenserklärung abgegeben haben, haben das Recht, diese gemäß § 16 Abs. 3 WpPG a.F. innerhalb einer Frist von zwei Werktagen nach Veröffentlichung des Nachtrags zu widerrufen, sofern der neue Umstand oder die Unrichtigkeit gemäß § 16 Abs. 1 WpPG a.F. vor dem endgültigen Schluss des öffentlichen Angebots und vor der Lieferung der Wertpapiere eingetreten ist.**

**In den Fällen, in denen die BNP Paribas Emissions- und Handelsgesellschaft mbH Gegenpartei des Erwerbsgeschäfts war, ist der Widerruf an die BNP Paribas Emissions- und Handelsgesellschaft mbH, Europa-Allee 12, 60327 Frankfurt am Main, zu richten.**

**In allen anderen Fällen ist der Widerruf gegenüber derjenigen Stelle zu erklären, gegenüber der der jeweilige Anleger seine auf den Erwerb oder die Zeichnung der Wertpapiere gerichtete Willenserklärung abgegeben hat.**

**Der Widerruf muss nicht begründet werden und ist in Textform abzugeben. Für die Wahrung der Widerrufsfrist ist die rechtzeitige Abgabe der Erklärung ausreichend.**

Während der Gültigkeitsdauer der vorgenannten Prospekte sowie solange im Zusammenhang mit den vorgenannten Prospekten begebene Wertpapiere öffentlich angeboten werden, werden Kopien dieses Nachtrags und der vorgenannten Prospekte, in der Fassung eventueller Nachträge, auf Anfrage zur kostenlosen Ausgabe am eingetragenen Sitz der Emittentin, Europa-Allee 12, 60327 Frankfurt am Main, bereitgehalten.

Darüber hinaus werden die Prospekte und der Nachtrag auf der Internetseite der Emittentin [www.derivate.bnpparibas.com/service/basisprospekte](http://www.derivate.bnpparibas.com/service/basisprospekte) für Anleger in Deutschland, in Österreich und in Luxemburg veröffentlicht.

Die nachtragsbegründenden Umstände sind:

1. *Anpassungen aufgrund der Veröffentlichung des Zwischenabschlusses zum 30. Juni 2019 und des Zwischenlageberichts für den Berichtszeitraum vom 1. Januar 2019 bis zum 30. Juni 2019 und Bestätigungsvermerk, der am 2. September 2019 auf der Internetseite: [www.derivate.bnpparibas.com/service/ueber-uns/finanzinformationen](http://www.derivate.bnpparibas.com/service/ueber-uns/finanzinformationen) veröffentlicht und zur Veröffentlichung im Unternehmensregister des Bundesanzeigers eingereicht wurde.*

Der nachtragsbegründende Umstand ist eingetreten am:

*30. Oktober 2019 am Vormittag*

2. *Die Veröffentlichung der Finanzinformationen für das 3. Quartal 2019 endend am 30. September 2019 der Garantin BNP Paribas S.A.*

Der nachtragsbegründende Umstand ist eingetreten am:

*1. November 2019 am Vormittag*

3. *Die mit der Veröffentlichung der vorgenannten Finanzinformationen für das 3. Quartal 2019 endend am 30. September 2019 einhergehende Veröffentlichung des Amendment zum BNPP 2019 Universal Registration Document (BNPP 2019 Universal Registration Document Amendment)*

Der nachtragsbegründende Umstand ist eingetreten am:

*31. Oktober 2019 am Nachmittag*

1. In der **Zusammenfassung** der vorgenannten Prospekte Nr. 1 bis Nr. 6, in **Abschnitt B - 1) Informationen bezüglich BNP Paribas Emissions- und Handelsgesellschaft mbH als Emittentin** unter **B.12 Ausgewählte wesentliche historische Finanzinformationen**, werden der bisherige Text und die Tabellen mit den Finanzinformationen vollumfänglich wie folgt ersetzt:

"

B.12	Ausgewählte wesentliche historische Finanzinformationen	Die folgende Tabelle zeigt ausgewählte Finanzinformationen der Emittentin, die den geprüften Jahresabschlüssen der Emittentin zum 31. Dezember 2017 und zum 31. Dezember 2018 entnommen wurden.		
		<b>Finanzinformation</b>	<b>Jahresabschluss 31. Dezember 2017 EUR</b>	<b>Jahresabschluss 31. Dezember 2018 EUR</b>
		<b>Bilanz</b>		
		<b>Forderungen und sonstige Vermögensgegenstände</b>		
		Forderungen gegen verbundene Unternehmen	248.960.344,05	172.155.000,00*
		Sonstige Vermögensgegenstände (Aktiva/Umlaufvermögen)	2.819.725.990,69	2.283.544.900,59
		<b>Verbindlichkeiten</b>		
		Anleihen (Passiva/Verbindlichkeiten)	2.057.959.649,50	1.725.834.253,67
		Sonstige Verbindlichkeiten (Passiva/Verbindlichkeiten)	1.010.726.913,24	748.615.565,48
		<b>Gewinn- und Verlustrechnung</b>		
			<b>Für den Zeitraum 1. Januar bis 31. Dezember 2017</b>	<b>Für den Zeitraum 1. Januar bis 31. Dezember 2018</b>
		Sonstige betriebliche Erträge	1.501.725,71	1.819.810,35
		Sonstige betriebliche Aufwendungen	-1.501.725,71	-1.819.810,35
		* In der Bilanzsumme zum 31. Dezember 2018 ist im Rahmen des Zwischenabschlusses zum 30. Juni 2019 eine nachträgliche Korrektur in Höhe von 18,75 Mio. EUR berücksichtigt.		
		Die folgende Tabelle zeigt ausgewählte Finanzinformationen der Emittentin, die den geprüften Zwischenabschlüssen zum 30. Juni 2018 und zum 30. Juni 2019 entnommen wurden.		
<b>Finanzinformation</b>	<b>Zwischenabschluss 30. Juni 2018 EUR</b>	<b>Zwischenabschluss 30. Juni 2019 EUR</b>		
<b>Bilanz</b>				

		<table border="1"> <tr> <th colspan="3">Forderungen und sonstige Vermögensgegenstände</th> </tr> <tr> <td>Forderungen gegen verbundene Unternehmen</td> <td>190.904.690,57</td> <td>157.128.690,57</td> </tr> <tr> <td>Sonstige Vermögensgegenstände (Aktiva/Umlaufvermögen)</td> <td>2.591.918.354,47</td> <td>3.505.174.666,17</td> </tr> <tr> <th colspan="3">Verbindlichkeiten</th> </tr> <tr> <td>Anleihen (Passiva/Verbindlichkeiten)</td> <td>1.867.382.127,65</td> <td>2.403.483.351,87</td> </tr> <tr> <td>Sonstige Verbindlichkeiten (Passiva/Verbindlichkeiten)</td> <td>915.441.019,65</td> <td>1.258.820.014,37</td> </tr> <tr> <th colspan="3">Gewinn- und Verlustrechnung</th> </tr> <tr> <td></td> <th>Für den Zeitraum 1. Januar bis 30. Juni 2018</th> <th>Für den Zeitraum 1. Januar bis 30. Juni 2019</th> </tr> <tr> <td>Sonstige betriebliche Erträge</td> <td>968.571,49</td> <td>879.869,50</td> </tr> <tr> <td>Sonstige betriebliche Aufwendungen</td> <td>-968.571,49</td> <td>-879.869,50</td> </tr> </table> <p>Die vorgenannten Abschlüsse wurden nach den Vorschriften des Handelsgesetzbuches ("HGB") und den ergänzenden Vorschriften des GmbH-Gesetzes ("<b>GmbHG</b>") aufgestellt.</p>	Forderungen und sonstige Vermögensgegenstände			Forderungen gegen verbundene Unternehmen	190.904.690,57	157.128.690,57	Sonstige Vermögensgegenstände (Aktiva/Umlaufvermögen)	2.591.918.354,47	3.505.174.666,17	Verbindlichkeiten			Anleihen (Passiva/Verbindlichkeiten)	1.867.382.127,65	2.403.483.351,87	Sonstige Verbindlichkeiten (Passiva/Verbindlichkeiten)	915.441.019,65	1.258.820.014,37	Gewinn- und Verlustrechnung				Für den Zeitraum 1. Januar bis 30. Juni 2018	Für den Zeitraum 1. Januar bis 30. Juni 2019	Sonstige betriebliche Erträge	968.571,49	879.869,50	Sonstige betriebliche Aufwendungen	-968.571,49	-879.869,50
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	Erklärung, dass sich die Aussichten des Emittenten seit dem Datum des letzten veröffentlichten geprüften Abschlusses nicht wesentlich verschlechtert haben oder Beschreibung jeder wesentlichen Verschlechterung	Die Aussichten der Emittentin haben sich seit dem 30. Juni 2019 nicht verschlechtert.																														
	Beschreibung wesentlicher Veränderungen der Finanzlage oder Handelsposition	Entfällt. Es sind keine wesentlichen Veränderungen in der Finanzlage oder der Handelsposition der Emittentin seit dem 30. Juni 2019 eingetreten.																														

2. In der **Zusammenfassung** der Prospekte Nr. 1 bis Nr. 6, in **Abschnitt B - 2) Informationen bezüglich der BNP Paribas S.A. als Garantin** unter **B.19/B.12 Ausgewählte wesentliche historische Finanzinformationen**, werden der bisherige Text und die Tabellen mit den Finanzinformationen vollumfänglich wie folgt ersetzt:

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B.19/ B.12	Ausgewählte wesentliche historische Finanzinformationen	Die folgende Tabelle zeigt ausgewählte Finanzinformationen der Garantin, die den geprüften konsolidierten Jahresabschlüssen der Garantin zum 31. Dezember 2017 und zum 31. Dezember 2018 bzw. dem Finanzbericht für den Neunmonatszeitraum zum 30. September 2019 entnommen wurden.  Die vorgenannten Abschlüsse wurden nach Internationalen
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Rechnungslegungsstandards (*International Financial Reporting Standards - IFRS*) aufgestellt.

**Jährliche Finanzdaten für den Zeitraum von 12 Monaten endend am 31. Dezember 2018 im Vergleich zum Zeitraum von 12 Monaten endend am 31. Dezember 2017 - in Mio. EUR**

	<b>31.12.2018* (geprüft)</b>	<b>31.12.2017 (geprüft)</b>
Umsatzerlöse	42.516	43.161
Risikokosten	(2.764)	(2.907)
Konzernanteil am Jahresüberschuss	7.526	7.759

**Jährliche Finanzdaten zum Stichtag 31. Dezember 2018 im Vergleich zum Stichtag 31. Dezember 2017 – in Mio. EUR**

	<b>31.12.2018* (geprüft)</b>	<b>31.12.2017 (geprüft)</b>
Bilanzsumme Konzern	2.040.836	1.960.252
Konsolidierte Kredite und Forderungen an Kunden	765.871	727.675
Konsolidierte Verbindlichkeiten an Kunden	796.548	766.890
Eigenkapital (Konzernanteil)	101.467	101.983

\*Die Zahlen zum 31. Dezember 2018 beziehen sich auf die neuen Rechnungslegungsstandards IFRS 9 und IFRS 15.

**Zwischenfinanzdaten für den Neunmonatszeitraum endend am 30. September 2019 im Vergleich zum Neunmonatszeitraum endend am 30. September 2018 - in Mio. EUR**

	<b>9M2019* (ungeprüft)</b>	<b>9M2018 (ungeprüft)</b>
Umsatzerlöse	33.264	32.356
Risikokosten	(2.237)	(1.868)
Konzernanteil am Jahresüberschuss	6.324	6.084
	<b>30.09.2019* (ungeprüft)</b>	<b>31.12.2018 (geprüft)</b>
Bilanzsumme Konzern	2.510.204	2.040.836
Konsolidierte Kredite und Forderungen an Kunden	797.357	765.871
Konsolidierte Verbindlichkeiten an Kunden	850.458	796.548
Eigenkapital (Konzernanteil)	107.157	101.467

\* Die Zahlen zum 30. September 2019 basieren auf dem neuen Rechnungslegungsstandard IFRS 16.

Erklärung, dass sich die Aussichten der Garantin seit dem Datum des letzten geprüften veröffentlichten Abschlusses nicht wesentlich verschlechtert haben oder Beschreibung jeder wesentlichen Verschlechterung

Die Aussichten der Garantin haben sich seit dem 31. Dezember 2018 (als dem Ende der letzten Finanzberichtsperiode, für die geprüfte Finanzinformationen veröffentlicht worden sind) nicht wesentlich verschlechtert.

	Beschreibung wesentlicher Veränderungen der Finanzlage oder Handelsposition	Entfällt. Es sind keine wesentlichen Veränderungen in der Finanzlage oder der Handelsposition der BNP Paribas Gruppe seit dem 30. September 2019 (als dem Ende der letzten Finanzberichtsperiode, für die ein Quartalsfinanzbericht der Garantin veröffentlicht worden ist) eingetreten.
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3. In der **Zusammenfassung** der Prospekte Nr. 1 bis Nr. 6, in **Abschnitt B - 2) Informationen bezüglich der BNP Paribas S.A. als Garantin** unter **B.19/B.13 Aktuelle Entwicklungen**, wird der bisherige Text vollumfänglich mit dem nachfolgenden Text ersetzt:

B.19/ B.13	Aktuelle Entwicklungen	Entfällt. Es gibt keine Ereignisse aus der jüngsten Zeit der Geschäftstätigkeit der Garantin seit dem 30. September 2019, die für die Bewertung der Solvenz der Garantin relevant sind.
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4. In der **Zusammenfassung** der Prospekte Nr. 1 bis Nr. 6, in **Abschnitt D - Risiken** unter **D.2 Wesentliche Risiken in Bezug auf die Emittentin und die Garantin**, werden die bisherigen Angaben zu den wesentlichen Risikofaktoren, die der Garantin eigen sind, unter der Zwischenüberschrift **"Bei den nachfolgenden Risikofaktoren handelt es sich um die wesentlichen Risikofaktoren, die der Garantin eigen sind:"** vollumfänglich mit dem nachfolgenden Text ersetzt:

D.2	Wesentliche Risiken in Bezug auf die Emittentin und die Garantin	<p><b>Bei den nachfolgenden Risikofaktoren handelt es sich um die wesentlichen Risikofaktoren, die der Garantin eigen sind:</b></p> <p>Es gibt bestimmte Faktoren, die die Fähigkeit der Garantin, ihre Verpflichtungen aus den Wertpapieren bzw. ihre Verpflichtungen im Rahmen der Garantie zu erfüllen, beeinträchtigen könnten.</p> <p>Die Geschäftstätigkeit der BNPP ist durch sieben Hauptrisiken gekennzeichnet. Bei den in den Hauptrisiken (1) bis (4) und (6) angegebenen Beträgen in EUR handelt es sich um ungeprüfte, dem internen Rechnungswesen der Garantin entnommene Angaben.</p> <p>(1) <i>Kreditrisiko</i> – Das Kreditrisiko ist die Folge, die sich aus der Wahrscheinlichkeit ergibt, dass ein Kreditnehmer oder eine Gegenpartei die Verpflichtungen nicht gemäß den vereinbarten Bedingungen erfüllen kann. Der Ausfallwahrscheinlichkeit und die erwartete Rückzahlung des Darlehens oder Außenstands im Falle eines Ausfalls sind Schlüsselkomponenten der Bonitätsbewertung. Zum 31. Dezember 2018 beliefen sich die risikogewichteten Forderungen der BNPP, die mit dieser Art Risiko behaftet waren, auf 504 Mrd. EUR.</p> <p>(2) <i>Verbriefung im Anlageportfolio</i> – Verbriefung bedeutet eine Transaktion oder ein Programm, wodurch das Kreditrisiko in Verbindung mit einem Engagement oder ein Forderungspool aufgeteilt wird. Sie hat die folgenden Merkmale:</p> <ul style="list-style-type: none"> <li>○ in der Transaktion oder dem Programm geleistete Zahlungen sind abhängig von der Performance des Engagements oder</li> </ul>
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		<p>der Forderungen;</p> <ul style="list-style-type: none"> <li>○ die Nachrangigkeit der Tranchen bestimmt die Verlustverteilung während der Laufzeit der Risikoübertragung.</li> </ul> <p>Jede Zusage (einschließlich Derivate und Liquiditätslinien), die einem Verbriefungsvorgang eingeräumt wird, muss als Verbriefungsengagement behandelt werden. Die meisten dieser Zusagen werden im der Bankenaufsicht unterliegenden Anlageportfolio gehalten. Zum 31. Dezember 2018 beliefen sich die risikogewichteten Forderungen der BNPP, die mit dieser Art Risiko behaftet waren, auf 7 Mrd. EUR.</p> <p>(3) <i>Kontrahentenausfallrisiko</i> – Das Kontrahentenausfallrisiko ist die Realisierung des in Finanztransaktionen, Investments und/oder Abrechnungstransaktionen zwischen Gegenparteien eingebundenen Kreditrisikos. Zu diesen Transaktionen zählen bilaterale Verträge wie beispielsweise Freiverkehr-Derivate ("OTC"-Derivate) sowie Geschäfte, die über Clearingstellen abgewickelt werden. Der Umfang des Risikos kann zeitlich schwanken, in Übereinstimmung mit wechselnden Marktparametern, was dann den Ersatzwert der jeweiligen Transaktionen beeinflusst.</p> <p>Das Kontrahentenrisiko liegt in dem Ereignis, dass eine Gegenpartei ihre Pflichten, BNPP den vollständigen Barwert der mit einer Transaktion oder einem Portfolio verbundenen Mittelflüsse, bei denen BNPP ein Nettoempfänger ist, nicht erfüllt. Das Kontrahentenrisiko ist außerdem mit den Kosten für den Ersatz eines Derivats oder Portfolios bei Ausfall der Gegenpartei verbunden. Daher kann es bei Eintritt eines Ausfalls als ein Marktrisiko oder als ein bedingtes Risiko betrachtet werden. Zum 31. Dezember 2018 beliefen sich die risikogewichteten Forderungen der BNPP, die mit dieser Art Risiko behaftet waren, auf 27 Mrd. EUR.</p> <p>(4) <i>Marktrisiko</i> – Marktrisiko ist das Risiko, einen Wertverlust zu erleiden infolge nachteiliger Trends bei Marktpreisen oder Parametern, ob direkt beobachtbar oder nicht.</p> <p>Beobachtbare Marktparameter beinhalten unter anderem Wechselkurse, Preise für Wertpapiere und Rohstoffe (ob notiert oder unter Bezugnahme auf einen ähnlichen Vermögenswert erhalten), Preise für Derivate und sonstige Parameter, die sich direkt daraus ergeben wie beispielsweise Zinssätze, Kreditspreads, Volatilitäten und konkludente Korrelationen oder ähnliche Parameter.</p> <p>Nicht beobachtbare Faktoren sind jene anhand von Arbeitshypothesen wie in Modellen enthaltene Parameter oder anhand von statistischen oder wirtschaftlichen Analysen, nicht erfassbar auf dem Markt.</p> <p>In den Handelsbüchern für Fixed Income werden Kreditinstrumente anhand von Anleihenrenditen und Kreditspreads bewertet, die</p>
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		<p>Marktparameter auf die gleiche Weise wie Zinssätze oder Wechselkurse abbilden. Das Kreditrisiko, das für die Emittentin des Schuldtitels entsteht, ist deshalb ein Bestandteil des Marktrisikos, das als Emittentenrisiko bekannt ist.</p> <p>Liquidität ist ein wichtiger Bestandteil des Marktrisikos. In Zeiten begrenzter oder keiner Liquidität dürfen Instrumente oder Waren nicht handelbar sein bzw. zu ihrem geschätzten Wert handelbar sein. Dies kann zum Beispiel infolge geringer Transaktionsvolumen, gesetzlicher Beschränkungen oder eines starken Ungleichgewichts zwischen Nachfrage und Angebot bei bestimmten Vermögenswerten entstehen.</p> <p>Das mit dem Bankgeschäft verbundene Marktrisiko umfasst die Zinssatz- und Wechselkurs-Risiken, die in den Vermittlungsdienstleistungen der BNPP begründet sind. Zum 31. Dezember 2018 beliefen sich die risikogewichteten Forderungen der BNPP, die mit dieser Art Risiko behaftet waren, auf 20 Mrd. EUR.</p> <p>(5) <i>Liquiditätsrisiko</i> – Das Liquiditätsrisiko ist das Risiko, dass die BNPP aufgrund des Marktumfelds oder von Faktoren eines einzelnen Instruments (d.h., spezifisch für BNPP) nicht in der Lage ist, ihre Zusagen innerhalb einer gegebenen Frist und zu angemessenen Kosten zu bedienen oder eine Position aufzulösen oder glattzustellen.</p> <p>Das Liquiditätsrisiko entspricht dem Risiko, dass die BNPP-Gruppe nicht in der Lage ist, aktuelle oder zukünftige, planmäßige oder unvorhergesehene Bar- oder Sicherheitsverpflichtungen über alle Zeithorizonte, von kurz- bis langfristig, zu erfüllen.</p> <p>Dieses Risiko kann durch eine Reduzierung von Finanzierungsquellen, Abruf- oder Finanzierungszusagen, eine Reduzierung der Liquidität bei bestimmten Vermögenswerten oder durch einen Anstieg von Einschüssen in bar oder in der Form von Sicherheiten entstehen. Es kann sich auf BNPP selbst (Reputationsrisiko) oder auf externe Faktoren (Risiken in einigen Märkten) beziehen.</p> <p>(6) <i>Operationales Risiko</i> – Das operationale Risiko ist das Risiko des Erleidens eines Verlusts aufgrund von ungeeigneten oder fehlgeschlagenen internen Prozessen oder aufgrund von externen Ereignissen, unabhängig davon, ob es sich um absichtliche, zufällige oder natürliche Vorgänge handelt. Die Verwaltung eines operationellen Risikos beruht auf einer Analyse der "Ursache – Ereignis –Wirkung"-Kette. Zum 31. Dezember 2018 beliefen sich die risikogewichteten Forderungen der BNPP, die mit dieser Art Risiko behaftet waren, auf 73 Mrd. EUR.</p> <p>(7) <i>Versicherungsrisiken</i> – BNP Paribas Cardif ist den folgenden Risiken ausgesetzt:</p> <ul style="list-style-type: none"> <li>○ Marktrisiko, Risiko eines finanziellen Verlusts aufgrund nachteiliger Veränderungen der Finanzmärkte. Diese</li> </ul>
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		<p>nachteiligen Veränderungen schlagen sich in Preisen oder Kursen nieder (unter anderem besonders in Wechselkursen, Anleihenkursen, Aktienkursen und Rohstoffpreisen, Preisen von Derivaten, Immobilienpreisen etc.) und entstehen als Folge von Schwankungen der Zinssätze, der Kreditaufschläge, Volatilität und Korrelation;</p> <ul style="list-style-type: none"> <li>○ Kreditrisiko, Verlustrisiko aufgrund von Schwankungen der Bonität von Emittenten von Wertpapieren, Gegenparteien und Schuldnern, denen Versicherungs- und Rückversicherungsunternehmen ausgesetzt sind. Unter diesen Schuldnern unterscheidet man bei den Risiken im Zusammenhang mit Finanzinstrumenten (insbesondere die Banken, bei denen BNP Paribas Cardif Depots unterhält) und den Risiken im Zusammenhang mit den durch das Versicherungsgeschäft generierten Forderungen (unter anderem insbesondere Prämienbezug, Erstattungen durch Rückversicherer etc.) zwei Kategorien: "Forderungs-Kreditrisiko" und "Verbindlichkeiten-Kreditrisiko".</li> <li>○ das versicherungstechnische Risiko ist das Risiko eines finanziellen Verlusts aufgrund eines plötzlichen, unerwarteten Anstiegs von Versicherungsfällen. Je nach Art des Versicherungsgeschäfts (Leben, Nicht-Leben) kann dieses Risiko statistisch, gesamtwirtschaftlich oder verhaltensbedingt sein oder sich auf öffentliche Gesundheitsfragen oder Naturkatastrophen beziehen, und</li> <li>○ das operationale Risiko ist das Risiko eines Verlusts aufgrund der Untauglichkeit oder des Ausfalls interner Prozesse, IT-Ausfälle oder vorsätzlicher Ereignisse von außen; sie können unfallbedingt oder durch die Natur bedingt sein. Die in dieser Definition genannten Ereignisse von außen umfassen solche, die durch Menschen oder die Natur verursacht werden.</li> </ul> <p>Im allgemeineren Sinn können die Risiken, denen die BNPP-Gruppe ausgesetzt ist, aus mehreren Faktoren entstehen, die unter anderem mit Veränderungen ihres gesamtwirtschaftlichen oder aufsichtsrechtlichen Umfelds oder mit der Umsetzung ihrer Strategie, ihres Geschäftsbetriebs oder ihrer Geschäftstätigkeit zusammenhängen.</p> <p><i>Risiken</i></p> <p>Dieser Abschnitt fasst die wichtigsten Risiken zusammen, welchen sich BNPP derzeit ausgesetzt sieht. Sie werden in den folgenden Kategorien dargestellt: <b>Ausfallrisiko, Gegenparteirisiko und Verbriefungsrisiko im Bankenportfolio; Operationales Risiko; Marktrisiko; Liquiditäts- und Refinanzierungsrisiko; Risiken im Zusammenhang mit dem gesamtwirtschaftlichen Umfeld und Marktumfeld; Aufsichtsrechtliches Risiko; Risiken im Zusammenhang mit dem Wachstum der BNPP in ihrem</b></p>
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		<p><b>derzeitigen Umfeld.</b></p> <p><b>(1) Ausfallrisiko, Gegenparteirisiko und Verbriefungsrisiko im Bankenportfolio</b></p> <p>(a) Eine deutliche Erhöhung neuer Rückstellungen oder eine Unterdeckung in der Höhe der zuvor gestellten Rückstellungen, die einem Ausfall- und Gegenparteirisiko ausgesetzt sind, könnte sich nachteilig auf die Vermögens-, Finanz- und Ertragslage der BNPP auswirken.</p> <p>(b) Die Stabilität und das Verhalten anderer Finanzinstitute und Marktteilnehmer könnten nachteilige Auswirkungen auf die BNPP haben.</p> <p><b>(2) Operationales Risiko</b></p> <p>(a) Ihre Risikomanagementpolitik, -verfahren und -methoden könnten die BNPP nicht erkannten oder unerwarteten Risiken aussetzen, was zu wesentlichen Verlusten führen könnte.</p> <p>(b) Eine Unterbrechung der Informationssysteme der BNPP oder ein Verstoß gegen diese Systeme könnte erhebliche Kundenverluste oder zu Verlusten von Kundeninformationen führen, den Ruf der BNPP schädigen und daraus resultierend finanzielle Verluste verursachen.</p> <p>Das Reputationsrisiko könnte die Finanzstärke der BNPP beeinträchtigen und das Vertrauen der Kunden und Gegenparteien in sie mindern.</p> <p><b>(3) Marktrisiko</b></p> <p>(a) Der BNPP könnten infolge von Marktschwankungen und Marktvolatilität erhebliche Verluste aus ihren Handels- und Anlageaktivitäten entstehen.</p> <p>(b) Während eines Marktabschwungs könnte die BNPP niedrigere Erlöse aus Makler- und sonstigen Provisionen sowie gebührenbasierten Geschäften erzielen.</p> <p>Anpassungen im Buchwert des Wertpapier- und Derivate-Portfolios von BNPP und der eigenen Verbindlichkeiten von BNPP könnten negative Folgen für ihren Nettoertrag und das Eigenkapital haben.</p> <p><b>(4) Liquiditäts- und Refinanzierungsrisiko</b></p> <p>(a) Der Zugriff der BNPP auf Finanzmittel sowie die damit verbundenen Kosten könnten durch ein Wiederaufleben von Finanzkrisen, sich verschlechternde Wirtschaftsbedingungen, Rating-Herabstufungen, steigende Risikoaufschläge bei Staatsanleihen oder andere Faktoren nachteilig beeinflusst werden.</p> <p>(b) Langfristige Marktrückgänge könnten die Liquidität der BNPP</p>
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		<p>reduzieren, wodurch es schwieriger wird, Vermögenswerte zu verkaufen, was möglicherweise zu erheblichen Verlusten führen könnte. Dementsprechend muss BNPP sicherstellen, dass ihre Vermögenswerte und Verbindlichkeiten sich korrekt decken, um das Risiko von Verlusten zu vermeiden.</p> <p>(c) Das Kreditrating der BNPP könnte herabgestuft werden, was ihre Ertragskraft belasten könnte.</p> <p><b>(5) Risiken im Zusammenhang mit dem gesamtwirtschaftlichen Umfeld und Marktumfeld</b></p> <p>(a) Ungünstige wirtschaftliche und finanzielle Bedingungen haben in der Vergangenheit Folgen für die BNPP und die Märkte, in denen sie tätig ist, gehabt und können dies auch in Zukunft haben.</p> <p>(b) Erhebliche Zinsänderungen könnten sich nachteilig auf die Umsatzerlöse und die Profitabilität der BNPP auswirken. Das lang andauernde Niedrigzinsumfeld enthält inhärente systemische Risiken, die sich auf die Erträge oder Ertragskraft der BNPP auswirken können; auch der Austritt aus einem solchen Umfeld ist mit Risiken behaftet.</p> <p>(c) Angesichts der globalen Reichweite ihrer Tätigkeit kann BNPP in einigen Ländern, in denen sie tätig ist, für bestimmte politische, gesamtwirtschaftliche oder finanzielle Risiken in diesen Ländern und Regionen anfällig sein.</p> <p><b>(6) Aufsichtsrechtliches Risiko</b></p> <p>(a) Gesetze und Verordnungen, die in den letzten Jahren umgesetzt wurden, insbesondere als Reaktion auf die globale Finanzkrise, sowie neue Gesetzesvorhaben, könnten wesentliche nachteilige Auswirkungen auf die BNPP und das Finanz- und Wirtschaftsumfeld haben, in dem sie tätig ist.</p> <p>(b) Gegen die BNPP können erhebliche Geldbußen und andere Verwaltungssanktionen und Verurteilungen wegen der Nichteinhaltung geltender Gesetze und Verordnungen verhängt werden. Der BNPP können außerdem Verluste durch diesbezügliche (oder andere) Rechtsstreitigkeiten mit privaten Parteien entstehen.</p> <p>(c) BNPP könnte eine ungünstige Änderung von Umständen erfahren, durch die sie einem Beschlussverfahren unterzogen werden könnte. Inhaber von Wertpapieren der BNPP könnten dadurch einen Verlust erleiden.</p> <p><b>(7) Risiken im Zusammenhang mit dem Wachstum der BNPP in ihrem derzeitigen Umfeld.</b></p> <p>(a) Ein Scheitern der Umsetzung der strategischen Planung der BNPP könnte den Handelspreis ihrer Wertpapiere beeinträchtigen.</p> <p>(b) BNPP könnte in Zusammenhang mit der Integration von</p>
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		<p>übernommenen Gesellschaften Schwierigkeiten ausgesetzt sein und könnte nicht in der Lage sein, die aus den Übernahmen erwarteten Vorteile zu realisieren.</p> <p>(c) Das derzeitige Umfeld der BNPP könnte durch den intensiven Wettbewerb zwischen Banken und Nichtbanken beeinträchtigt werden, was die Erlöse und Ertragskraft der BNPP beeinträchtigen könnte.</p> <p>(d) Veränderungen in bestimmten Positionen in Kredit- und Finanzinstituten könnten sich auf die Finanzlage der BNPP auswirken.</p>
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5. Im **Kapitel II. RISIKOFAKTOREN** der Prospekte Nr. 1 bis Nr. 6, in Abschnitt **B. RISIKOFAKTOREN IN BEZUG AUF DIE GARANTIN**, werden die bisherigen Angaben vollumfänglich mit dem nachfolgenden Text ersetzt:

"Um die mit der Garantin der Wertpapiere verbundenen Risiken bzw. die Faktoren, welche die Fähigkeit der BNP Paribas S.A. zur Erfüllung ihrer Verbindlichkeiten als Garantin in Bezug auf gemäß diesem Basisprospekt begebene Wertpapieren betreffen, einschätzen zu können, sollten potenzielle Anleger die nachfolgenden Informationen (in der englischen Sprachfassung) berücksichtigen.

There are certain factors that may affect the Guarantor's obligations under the Guarantee. If one or more of the below mentioned risks materialize, this may have a significant adverse effect on the Guarantor's ability to fulfil its obligations under the Guarantee. **Thus, investors are exposed to the risk that, if one or more of the risks mentioned below materialize, they will suffer significant losses up to the total loss of their invested capital.** The following seven main categories of risk are inherent in BNPP's activities. The amounts in EUR mentioned in the main risks (1) to (7) are unaudited figures which are based on BNPP's internal accounting.

#### **1. Credit risk, counterparty risk and securitization risk in the banking portfolio**

BNPP's **credit risk** is defined as the probability of a borrower or counterparty defaulting on its obligations to BNPP. Probability of default along with the recovery rate of the loan or debt in the event of default are essential elements in assessing credit quality. In accordance with European Banking Authority recommendations, this category of risk also includes risks on equity investments, as well as those related to insurance activities. As of 31 December 2018, BNPP's credit risk exposure broke down as follows: corporates (42%), retail customers (29%), central governments and central banks (21%), credit institutions (5%), other risky assets (2%) and equities (1%). As of 31 December 2018, 32% of BNPP's credit exposure was comprised of exposures in France, 14% in Belgium and Luxembourg, 10% in Italy, 19% in other European countries, 13% in North America, 6% in Asia and 6% in the rest of the world. BNPP's risk-weighted assets subject to this type of risk amounted to €504 billion at 31 December 2018, or 78% of the total risk-weighted assets of BNPP.

BNPP's **counterparty risk** arises from its credit risk in the specific context of market transactions, investments, and/or settlements. BNPP's exposure to counterparty risk, excluding CVA (Credit Valuation Adjustment) risk as of 31 December 2018, was comprised of: 40% in the corporate sector, 17% in governments and the central banks, 15% in credit institutions and investment firms, and 28% in clearing houses. By product, BNPP's exposure, excluding CVA risk, as of 31 December 2018 was comprised of: 56% in over-the-counter ("**OTC**") derivatives, 24% in repurchase transactions and securities lending/borrowing, 18% in listed derivatives and 2% in contributions to the clearing houses' default funds. The amount of this risk varies over

time, depending on fluctuations in market parameters affecting the potential future value of the covered transactions. In addition, CVA risk measures the risk of losses related to CVA volatility resulting from fluctuations in credit spreads associated with the counterparties in respect of which BNPP is subject to risk. The risk-weighted assets subject to this type of risk amounted to €27 billion at 31 December 2018, representing 4% of the BNPP Group's total risk-weighted assets, including €3 billion in respect of CVA risk.

**Securitization risk in the banking portfolio:** Securitization is a transaction or arrangement by which the credit risk associated with a liability or set of liabilities is subdivided into tranches. Any commitment made by BNPP under a securitization structure (including derivatives and liquidity lines) is considered to be a securitization. The bulk of BNPP's commitments are in the prudential banking portfolio. Securitized exposures are essentially those generated by BNPP. The securitization positions held or acquired by BNPP may also be categorized by its role: of the positions as at 31 December 2018, BNPP generated 43%, was sponsor of 44% and was investor of 13%. The risk-weighted assets subject to this type of risk amounted to €7 billion at 31 December 2018 for BNPP, or 1% of the total risk-weighted assets of BNPP.

1.1 *A substantial increase in new provisions or a shortfall in the level of previously recorded provisions exposed to credit risk and counterparty risk could adversely affect BNPP's results of operations and financial condition.*

Credit risk and counterparty risk impact BNPP's consolidated financial statements when a customer or counterparty is unable to honour its obligations and when the book value of these obligations in BNPP's records is positive. The customer or counterparty may be a bank, a financial institution, an industrial or commercial enterprise, a government or a government entity, an investment fund, or a natural person. If the level of customer or counterparty defaults increases compared to recent historically low levels, BNPP may have to record significant charges and provisions for possible unrecoverable or doubtful debts, affecting its profitability.

As a result, in connection with its lending activities, BNPP regularly establishes provisions for loan losses, which are recorded on its income statement in the line item Cost of Risk. These provisions amounted to €2.764 billion at 31 December 2018, representing 35 basis points of outstanding customer loans (compared with 39 basis points at 31 December 2017).

BNPP's overall level of provisions is based on its assessment of prior loss experience, the volume and type of lending being conducted, industry standards, past due loans, economic conditions and other factors related to the recoverability of various loans or statistical analysis based on scenarios applicable to asset classes.

Although BNPP seeks to establish an appropriate level of provisions, its lending businesses may have to increase their provisions for loan losses substantially in the future as a result of deteriorating economic conditions or other causes. Any significant increase in provisions for loan losses or a significant change in BNPP's estimate of the risk of loss inherent in its portfolio of non impaired loans, as well as the occurrence of loan losses in excess of the related provisions, could have a material adverse effect on BNPP's results of operations and financial condition.

As at 31 December 2018, the ratio of doubtful loans to total loans outstanding was 2.6% and the coverage ratio of these loans (net of guarantees received) by provisions was 76.2%.

While BNPP seeks to reduce its exposure to credit risk and counterparty risk by using risk mitigation techniques such as collateralization, obtaining guarantees, entering into credit derivatives and entering into netting agreements, it cannot be certain that these techniques will be effective to offset losses resulting from counterparty defaults that are covered by these techniques. Moreover, BNPP is also exposed to the risk of default by the party providing the credit risk coverage (such as a counterparty in a derivative or a loan insurance contract) or to the risk of loss of value of any collateral. In addition, only a portion of BNPP's overall credit risk and counterparty risk is covered by these techniques. Accordingly, BNPP has very significant exposure to these risks.

1.2 *The soundness and conduct of other financial institutions and market participants could adversely affect BNPP.*

BNPP's ability to engage in financing, investment and derivative transactions could be adversely affected by the soundness of other financial institutions or market participants. Financial institutions are interrelated as a result of trading, clearing, counterparty, funding or other relationships. As a result, defaults, or even rumours or questions about, one or more financial services institutions, or the financial services industry generally, may lead to market wide liquidity problems and could lead to further losses or defaults. BNPP has exposure to many counterparties in the financial industry, directly and indirectly, including clearing houses, brokers and dealers, commercial banks, investment banks, mutual and alternative investment funds, and other institutional clients with which it regularly executes transactions. BNPP may also be exposed to risks related to the increasing involvement in the financial sector of players and the introduction of new types of transactions subject to little or no regulation (e.g., unregulated funds, trading venues or crowdfunding platforms). Credit and counterparty risks could be exacerbated if the collateral held by BNPP cannot be realized or is liquidated at prices not sufficient to recover the full amount of the loan or derivative exposure due to BNPP or in case of a failure of a significant financial market participant such as a central counterparty. It is worth noting in this respect that regulatory changes requiring mandatory clearing of standardized OTC derivatives through central counterparties have resulted in an increase of the exposure of financial market participants to such central counterparties.

For reference, counterparty risk exposure related to financial institutions was €22 billion at 31 December 2018, or 15% of BNPP's total counterparty risk exposure, and counterparty risk exposure related to clearing houses was €40 billion, or 28% of BNPP's total counterparty risk exposure.

In addition, fraud or misconduct by financial market participants can have a material adverse effect on financial institutions due in particular to the interrelated nature of the financial markets. An example is the fraud perpetrated by Bernard Madoff that came to light in 2008, as a result of which numerous financial institutions globally, including BNPP, announced losses or exposure to losses in substantial amounts. BNPP remains the subject of various claims in connection with the Madoff matter; see Note 8.b (Contingent liabilities: legal proceedings and arbitration) to its consolidated financial statements as of and for the period ended 31 December 2018, set out in the BNPP 2018 Registration Document.

Losses resulting from the risks summarized above could materially and adversely affect BNPP's results of operations.



## 2. Operational Risk

BNPP's operational risk is the risk of loss resulting from failed or inadequate internal processes (particularly those involving personnel and information systems) or external events, whether deliberate, accidental or natural (floods, fires, earthquakes, terrorist attacks, etc.). BNPP's operational risks cover fraud, human resources risks, legal and reputational risks, non-compliance risks, tax risks, information systems risks, risk of providing inadequate financial services (conduct risk), risk of failure of operational processes including credit processes, or from the use of a model (model risk), as well as potential financial consequences related to reputation risk management. From 2010-2018, BNPP's main type of incidents involving operational risk were in "Clients, products and business practices", which represents 63% of the total financial impact, largely as a result of BNPP's agreement with US authorities regarding its review of certain dollar transactions concluded in June 2014. The next largest category of incident for BNPP in operational risk was in "Execution, delivery and process management", accounting for 18% of the financial impact. Other types of risk in operational risk consist of external fraud (13%), business disruption and systems failure (3%), internal fraud (1%), damage to physical assets (1%) and employment practices and workplace safety (1%).

The risk-weighted assets subject to this type of risk amounted to €73 billion at 31 December 2018, or 11% of the total risk-weighted assets of BNPP.

### 2.1 *BNPP's risk management policies, procedures and methods may leave it exposed to unidentified or unanticipated risks, which could lead to material losses.*

BNPP has devoted significant resources to developing its risk management policies, procedures and assessment methods and intends to continue to do so in the future. Nonetheless, BNPP's risk management techniques and strategies may not be fully effective in mitigating its risk exposure in all economic and market environments or against all types of risk, particularly risks that BNPP may have failed to identify or anticipate. BNPP's ability to assess the creditworthiness of its customers or to estimate the values of its assets may be impaired if, as a result of market turmoil such as that experienced in recent years, the models and approaches it uses become less predictive of future behaviour, valuations, assumptions or estimates. Some of BNPP's qualitative tools and metrics for managing risk are based on its use of observed historical market behaviour. BNPP applies statistical and other tools to these observations to arrive at quantifications of its risk exposures. The process BNPP uses to estimate losses inherent in its credit exposure or estimate the value of certain assets requires difficult, subjective, and complex judgments, including forecasts of economic conditions and how these economic predictions might impair the ability of its borrowers to repay their loans or impact the value of assets, which may, during periods of market disruption, be incapable of accurate estimation and, in turn, impact the reliability of the process. These tools and metrics may fail to predict future risk exposures, e.g., if BNPP does not anticipate or correctly evaluate certain factors in its statistical models, or upon the occurrence of an event deemed extremely unlikely by the tools and metrics. This would limit BNPP's ability to manage its risks. BNPP's losses could therefore be significantly greater than the historical measures indicate. In addition, BNPP's quantified modelling does not take all risks into account. Its more qualitative approach to managing certain risks could prove insufficient, exposing it to material unanticipated losses.

2.2 *An interruption in or a breach of BNPP's information systems may cause substantial losses of client or customer information, damage to BNPP's reputation and result in financial losses.*

As with most other banks, BNPP relies heavily on communications and information systems to conduct its business. This dependency has increased with the spread of mobile and online banking services, and the development of cloud computing and blockchain technologies. Any failure or interruption or breach in security of these systems could result in failures or interruptions in BNPP's customer relationship management, general ledger, deposit, servicing and/or loan organization systems or could cause BNPP to incur significant costs in recovering and verifying lost data. BNPP cannot provide assurances that such failures or interruptions will not occur or, if they do occur, that they will be adequately addressed.

In addition, BNPP is subject to cybersecurity risk, or risk caused by a malicious and/or fraudulent act, committed virtually, with the intention of manipulating information (confidential data, bank/insurance, technical or strategic), processes and users, in order to cause material losses to BNPP's subsidiaries, employees, partners and clients. An increasing number of companies (including financial institutions) have in recent years experienced intrusion attempts or even breaches of their information technology security, some of which have involved sophisticated and highly targeted attacks on their computer networks. Because the techniques used to obtain unauthorized access, disable or degrade service, steal confidential data or sabotage information systems have become more sophisticated, change frequently and often are not recognized until launched against a target, BNPP and its third party service providers may be unable to anticipate these techniques or to implement in a timely manner effective and efficient countermeasures.

Any failures of or interruptions in BNPP's information systems or those of its providers and any subsequent disclosure of confidential information related to any client, counterparty or employee of BNPP (or any other person) or any intrusion or attack against the its communication system could cause significant losses and have an adverse effect on BNPP's reputation, financial condition and results of operations.

Moreover, BNPP is exposed to the risk of operational failure or interruption of a clearing agent, foreign markets, clearing houses, custodian banks or any other financial intermediary or external service provider used by BNPP to execute or facilitate financial transactions. Due to its increased interaction with clients, BNPP is also exposed to the risk of operational malfunction of the latter's information systems. BNPP's communications and data systems and those of its clients, service providers and counterparties may also be subject to malfunctions or interruptions as a result of cyber-crime or cyber-terrorism. BNPP cannot guarantee that these malfunctions or interruptions in its own systems or those of other parties will not occur or that in the event of a cyberattack, these malfunctions or interruptions will be adequately resolved. These operational malfunctions or interruptions accounted for an average of 3% of operational risk losses over the 2010-2018 period.

2.3 *Reputational risk could weigh on BNPP's financial strength and diminish the confidence of clients and counterparties in it.*

Considering the highly competitive environment in the financial services industry, a reputation for financial strength and integrity is critical to BNPP's ability to attract and retain customers. BNPP's reputation could be harmed if it cannot adequately promote and market its products and services. BNPP's reputation could also be damaged if, as it

increases its client base and the scale of its businesses, BNPP's comprehensive procedures and controls dealing with conflicts of interest fail, or appear to fail, to address them properly. At the same time, BNPP's reputation could be damaged by employee misconduct, fraud or misconduct by financial industry participants to which BNPP is exposed, a decline in, a restatement of, or corrections to, its financial results, as well as any adverse legal or regulatory action, such as the settlement BNPP entered into with the U.S. authorities in 2014 for violations of U.S. laws and regulations regarding economic sanctions. The loss of business that could result from damage to BNPP's reputation could have an adverse effect on its results of operations and financial position.

### 3. Market risk

BNPP's market risk is the risk of loss of value caused by an unfavourable trend in prices or market parameters. The parameters affecting BNPP's market risk include, but are not limited to, exchange rates, prices of securities and commodities (whether the price is directly quoted or obtained by reference to a comparable asset), the price of derivatives on an established market and all benchmarks that can be derived from market quotations such as interest rates, credit spreads, volatility or implicit correlations or other similar parameters.

BNPP is exposed to market risk mainly through trading activities carried out by the business lines of its Corporate & Institutional Banking ("**CIB**") operating division, primarily in Global Markets, which represented 11% of BNPP's revenue in 2018. BNPP's trading activities are directly linked to economic relations with clients of these business lines, or indirectly as part of its market making activity. The proprietary trading activities of BNPP's subsidiary Opera Trading Capital, which began in mid-2015, were discontinued at the beginning of 2019.

In addition, the market risk relating to BNPP's banking activities covers its interest rate and foreign exchange rate risk in connection with its activities as a banking intermediary. The "operating" foreign exchange risk exposure relates to net earnings generated by activities conducted in currencies other than the functional currency of the entity concerned. The "structural" foreign exchange risk position of an entity relates to investments in currencies other than the functional currency. In measuring interest rate risk, BNPP defines the concepts of standard rate risk and structural rate risk as the following: the standard rate risk corresponds to the general case, namely when it is possible to define the most appropriate hedging strategy for a given transaction, and the structural rate risk is the interest rate risk for equity and non-interest-bearing current accounts.

BNP Paribas' market risk based on its activities is measured by Value at Risk ("**VaR**"), or the maximum potential loss over one year, at a 99.9% confidence level to calculate regulatory capital requirements, and various other market indicators (stressed VaR, Incremental Risk Charge, Comprehensive Risk Measure for credit correlation portfolio) as well as by stress tests and sensitivity analysis compared with market limits.

The risk-weighted assets subject to this type of risk amounted to €20 billion at 31 December 2018, or 3% of the total risk-weighted assets of BNPP.

#### 3.1 *BNPP may incur significant losses on its trading and investment activities due to market fluctuations and volatility.*

BNPP maintains trading and investment positions in the debt, currency, commodity and equity markets and in unlisted securities, real estate and other asset classes, including through derivative contracts. These positions could be adversely affected by extreme volatility in these markets, i.e., the degree to which prices fluctuate over a particular period in a particular market, regardless of market levels. Moreover,

volatility trends that prove substantially different from BNPP's expectations may lead to losses relating to a broad range of other products that BNPP uses, including swaps, forward and future contracts, options and structured products.

To the extent that BNPP owns assets, or has net long positions, in any of those markets, a market downturn could result in losses from a decline in the value of its positions. Conversely, to the extent that BNPP has sold assets that it does not own, or has net short positions in any of those markets, a market upturn could, in spite of the existing limitation of risks and control systems, expose BNPP to potentially substantial losses as it attempts to cover its net short positions by acquiring assets in a rising market. BNPP may from time to time hold a long position in one asset and a short position in another, in order to hedge transactions with clients and/or from which it expects to gain based on changes in the relative value of the two assets. If, however, the relative value of the two assets changes in a direction or manner that BNPP did not anticipate or against which it is not hedged, it might realize a loss on those paired positions. Such losses, if significant, could adversely affect BNPP's results and financial condition. In addition, BNPP's hedging strategies may not be suitable for certain market conditions.

If any of the variety of instruments and strategies that BNPP uses to hedge its exposure to various types of risk in its businesses is not effective, the Group may incur losses. Many of its strategies are based on historical trading patterns and correlations. For example, if BNPP holds a long position in an asset, it may hedge that position by taking a short position in another asset where the short position has historically moved in a direction that would offset a change in the value of the long position. However, the hedge may only be partial, or the strategies used may not protect against all future risks or may not be fully effective in mitigating BNPP's risk exposure in all market environments or against all types of risk in the future. Unexpected market developments may also reduce the effectiveness of BNPP's hedging strategies, as occurred for example in late 2018 with BNPP's index derivatives hedging in the United States. In addition, the manner in which gains and losses resulting from certain ineffective hedges are recorded may result in additional volatility in BNPP's reported earnings.

BNPP uses a VaR model to quantify its exposure to potential losses from market risks, and also performs stress testing with a view to quantifying its potential exposure in extreme scenarios. However, these techniques rely on statistical methodologies based on historical observations, which may turn out to be unreliable predictors of future market conditions. Accordingly, BNPP's exposure to market risk in extreme scenarios could be greater than the exposures predicted by its quantification techniques.

The Global Markets business line in particular had €18 billion in risk-weighted assets subject to market risk at 31 December 2018, or 2.7% of the total risk-weighted assets of BNPP.

3.2 *BNPP may generate lower revenues from commission and fee based businesses during market downturns.*

BNPP's commissions represented 22% of total revenues in 2018. Financial and economic conditions affect the number and size of transactions for which BNPP provides securities underwriting, financial advisory and other investment banking services. These revenues, which include fees from these services, are directly related to the number and size of the transactions in which BNPP participates and can thus

be significantly affected by economic or financial changes that are unfavourable to its Investment Banking business and clients. In addition, because the fees that BNPP charges for managing its clients' portfolios are in many cases based on the value or performance of those portfolios, a market downturn that reduces the value of its clients' portfolios or increases the amount of withdrawals would reduce the revenues it receives from its asset management, equity derivatives and private banking businesses. Independently of market changes, below market performance by BNPP's mutual funds may result in increased withdrawals and reduced inflows, which would reduce the revenues BNPP receives from its asset management business.

3.3 *Adjustments to the carrying value of BNPP's securities and derivatives portfolios and BNPP's own debt could have an adverse effect on its net income and shareholders' equity.*

The carrying value of BNPP's securities and derivatives portfolios and certain other assets, as well as its own debt, in its balance sheet is adjusted as of each financial statement date. As at 31 December 2018, on the assets side of BNPP's balance sheet, financial instruments at fair value through profit or loss, derivative financial instruments used for hedging purposes and financial assets at fair value through shareholders' equity amounted to €538.6 billion, €9.8 billion and €60 billion respectively. In the liabilities column, financial instruments at fair value through profit or loss and derivative financial instruments used for hedging purposes amounted to €560 billion and €11.7 billion, respectively, at 31 December 2018. Most of the adjustments are made on the basis of changes in fair value of BNPP's assets or debt during an accounting period, with the changes recorded either in the income statement or directly in shareholders' equity. Changes that are recorded in the income statement, to the extent not offset by opposite changes in the value of other assets, affect BNPP's consolidated revenues and, as a result, its net income. All fair value adjustments affect shareholders' equity and, as a result, BNPP's capital adequacy ratios. The fact that fair value adjustments are recorded in one accounting period does not mean that further adjustments will not be needed in subsequent periods.

#### **4. Liquidity and funding risk**

Liquidity risk is the risk that BNPP will not be able to honour its commitments or unwind or offset a position due to market conditions or specific factors within a specified period of time and at a reasonable cost. It reflects the risk of not being able to cope with net cash outflows, including collateral requirements, over short-term to long-term horizons. The Group's specific risk can be assessed through its short-term liquidity ratio ("**Liquidity Coverage Ratio**" or "**LCR**"), which analyses the hedging of net cash outflows during a thirty-day stress period. The monthly average in 2018 of the Group's LCR was 117%, representing a liquidity surplus of €41 billion compared to regulatory requirements. The liquidity reserve was €308.1 billion at the end of 2018.

4.1 *BNPP's access to and cost of funding could be adversely affected by a resurgence of financial crises, worsening economic conditions, rating downgrades, increases in sovereign credit spreads or other factors.*

The financial crisis, the euro zone sovereign debt crisis as well as the general macroeconomic environment have at times adversely affected the availability and cost of funding for European banks in recent years. This was due to several factors, including a sharp increase in the perception of bank credit risk due to exposure to sovereign debt in particular, credit rating downgrades of sovereigns and of banks, and debt market speculation. Many European banks, including BNPP, at various points

experienced restricted access to wholesale debt markets and to the interbank market, as well as a general increase in their cost of funding. Accordingly, reliance on direct borrowing from the European Central Bank ("ECB") at times increased substantially. If such adverse credit market conditions were to reappear in the event of prolonged stagnation of growth, deflation, resurgence of the financial crisis, the sovereign debt crisis or new forms of financial crises, factors relating to the financial industry in general or to BNPP in particular, the effect on the liquidity of the European financial sector in general and BNPP in particular could be materially adverse and have a negative impact on BNPP's results of operations and financial condition.

- 4.2 *Protracted market declines can reduce BNPP's liquidity, making it harder to sell assets and possibly leading to material losses. Accordingly, BNPP must ensure that its assets and liabilities properly match in order to avoid exposure to losses.*

In some of BNPP's businesses, particularly Global Markets (which represented 11% of BNPP's revenue in 2018) and Asset/Liability Management, protracted market movements, particularly asset price declines, can reduce the level of activity in the market or reduce market liquidity. These developments can lead to material losses if BNPP cannot close out deteriorating positions in a timely way. This is particularly true for assets that are intrinsically illiquid. Assets that are not traded on stock exchanges or other public trading markets, such as certain derivative contracts between financial institutions, may have values that BNPP calculates using models rather than publicly quoted prices. Monitoring the deterioration of prices of assets like these is difficult and could lead to significant unanticipated losses.

BNPP is exposed to the risk that the maturity, interest rate or currencies of its assets might not match those of its liabilities. The timing of payments on certain of BNPP's assets is uncertain, and if BNPP receives lower revenues than expected at a given time, it might require additional market funding in order to meet its obligations on its liabilities. While BNPP imposes strict limits on the gaps between its assets and its liabilities as part of its risk management procedures, it cannot be certain that these limits will be fully effective to eliminate potential losses arising from asset and liability mismatches.

- 4.3 *The credit ratings of BNPP may be downgraded, which would weigh on its profitability.*

Credit ratings have a significant impact on BNPP's liquidity. On 5 April 2019, Standard & Poor's revised the long-term rating of BNPP's deposits and senior preferred debt from A to A+, and confirmed its short-term rating as A-1, with a stable outlook. On 6 June 2019, Fitch France revised its long-term deposits and senior preferred debt rating for BNPP from A+ to AA-, and raised its short-term rating from F1 to F1+, with a stable outlook. On 27 September 2017, Moody's revised its long-term deposits and senior preferred debt rating from A1 to Aa3, and confirmed its short-term rating as P-1, with a stable outlook. On 12 July 2019, DBRS confirmed BNPP's senior preferred debt rating as AA (low), as well as its short-term rating as R-1(middle) with a stable outlook. A downgrade in BNPP's credit rating could affect its liquidity and competitive position. It could also increase BNPP's borrowing costs, limit access to the capital markets or trigger additional obligations under its covered bonds or under certain bilateral provisions in some trading, derivative or collateralized financing contacts. See also "*Credit Ratings may not Reflect all Risks*" below.

In addition, BNPP's cost of obtaining long term unsecured funding from market investors is also directly related to its credit spreads, which in turn depend to a certain

extent on its credit ratings. Increases in credit spreads can significantly increase BNPP's cost of funding. Changes in credit spreads are continuous, market driven, and subject at times to unpredictable and highly volatile movements. Credit spreads are also influenced by market perceptions of BNPP's creditworthiness. Furthermore, credit spreads may be influenced by movements in the cost to purchasers of credit default swaps referenced to BNPP's debt obligations, which are influenced both by the credit quality of those obligations, and by a number of market factors that are beyond the control of BNPP.

## **5. Risks related to the macroeconomic and market environment**

### **5.1 *Adverse economic and financial conditions have in the past had and may in the future have an impact on BNPP and the markets in which it operates.***

BNPP's business is sensitive to changes in the financial markets and more generally to economic conditions in France (32% of BNPP's revenues), other countries in Europe (43% of BNPP's revenues) and the rest of the world (25% of BNPP's revenues). A deterioration in economic conditions in the markets where BNPP operates could have some or all of the following impacts:

- Adverse economic conditions could affect the business and operations of BNPP's customers, reducing credit demand and trading volume and resulting in an increased rate of default on loans and other receivables;
- A decline in market prices of bonds, equities and commodities could impact many of the businesses of BNPP, including in particular trading, investment banking and asset management revenues;
- Macroeconomic policies adopted in response to actual or anticipated economic conditions could have unintended effects, and are likely to impact market parameters such as interest rates and foreign exchange rates, which in turn could affect BNPP's businesses that are most exposed to market risk;
- Perceived favourable economic conditions generally or in specific business sectors could result in asset price bubbles, which could in turn exacerbate the impact of corrections when conditions become less favourable;
- A significant economic disruption (such as the global financial crisis of 2008 or the European sovereign debt crisis of 2011) could have a severe impact on all of BNPP's activities, particularly if the disruption is characterized by an absence of market liquidity that makes it difficult to sell certain categories of assets at their estimated market value or at all;
- A significant deterioration of market and economic conditions resulting from, among other things, adverse political and geopolitical events such as natural disasters, societal unrest, geopolitical tensions (in particular protectionist measures), acts of terrorism, cyber attacks, military conflicts or threats thereof and related risks could affect the operating environment for BNPP episodically or for extended periods.

European markets may be affected by a number of factors in 2019 and into 2020, including continuing uncertainty resulting from the decision of the United Kingdom to leave the European Union (possibly through a "no-deal" exit), evolving monetary policy in Europe and the United States and uncertain political and economic

conditions in certain large European countries. Markets in the United States may be affected by factors, such as trade policy or a tendency towards political stalemate, which has affected currency markets globally. Asian markets could be impacted by factors such as slower than expected economic growth rates in certain countries in the region.

Share prices have recently experienced significant volatility, which may occur again. Credit markets and the value of fixed income assets could be adversely affected if interest rates were to rise as central banks continue to scale back the extraordinary support measures put in place in response to recent adverse economic conditions. Conversely, a continued or renewed loosening of monetary policy would weigh on banks' profitability. The price of oil has been particularly volatile in recent months, and could be impacted by unpredictable geopolitical factors in regions such as the Middle East and Russia.

More generally, increased volatility of financial markets could adversely affect BNPP's trading and investment positions in the debt, currency, commodity and equity markets, as well as its positions in other investments. For reference, Global Markets accounted for 11% of BNPP's revenues in 2018. Severe market disruptions and extreme market volatility have occurred in recent years and may occur again in the future, which could result in significant losses for BNPP. Such losses may extend to a broad range of trading and hedging products, including swaps, forward and future contracts, options and structured products. The volatility of financial markets makes it difficult to predict trends and implement effective trading strategies.

It is difficult to predict when economic or market downturns will occur, and which markets will be most significantly impacted. If economic or market conditions in France or elsewhere in Europe, or global markets more generally, were to deteriorate or become more volatile, BNPP's operations could be disrupted, and its business, results of operations and financial condition could be adversely affected.

5.2 *Significant interest rate changes could adversely affect BNPP's revenues or profitability. The prolonged low interest rate environment carries inherent systemic risks, which could impact BNPP's income or profitability, and an exit from such environment also carries risks.*

The amount of net interest income earned by BNPP during any given period significantly affects its overall revenues and profitability for that period. Interest rates are highly sensitive to many factors beyond BNPP's control, such as the rate of inflation, country-specific monetary policies and certain decisions concerning regulatory capital. Changes in market interest rates could affect the interest rates charged on interest-earning assets differently than the interest rates paid on interest-bearing liabilities. Any adverse change in the yield curve could cause a decline in net interest income from BNPP's lending activities. In addition, increases in the interest rates at which BNPP's short-term funding is available and maturity mismatches may adversely affect its profitability.

Since the 2008-2009 financial crisis, global markets have been characterized by an extended period of low interest rates. If the low interest rate environment continues, as a result of continued monetary loosening, low growth or other factors, BNPP's profitability may be affected, given that BNPP's net interest income represented 50% of total revenues in 2018 (see Note 2.a (Net interest income) to BNPP's consolidated financial statements as of and for the year ended 31 December 2018, set out in the BNPP 2018 Registration Document (in English)). In this respect, after announcing in



December 2018 the end of its quantitative easing policy, the ECB announced in March 2019 – in the face of slower than anticipated growth – a status quo on its benchmark lending rates until at least the end of 2019 (extended in June 2019 to at least the first half of 2020) as well as new targeted longer-term financing operations ("TLTRO") bearing, under certain conditions, negative rates. During periods of low interest rates, interest rate spreads tend to tighten, and BNPP may be unable to lower interest rates on deposits sufficiently to offset reduced income from lending at lower interest rates. On an indicative basis, over one-, two- and three-year timeframes, the sensitivity of revenues at 31 December 2018 to a parallel, instantaneous and definitive increase in market rates of +50 basis points (+0.5%) across all currencies had a positive impact of +€185 million, +€510 million and +€698 million, respectively, or 0.4%, 1.2% and 1.6% of BNPP's net banking income. In addition, BNPP has been facing and may continue to face an increase in early repayment and refinancing of mortgages and other fixed rate consumer and corporate loans as clients take advantage of lower borrowing costs. This, along with the issuance of new loans at the low prevailing market interest rates, has resulted and may continue to result in a decrease in the average interest rate of BNPP's portfolio of loans thereby causing a decline in its net interest income from lending activities. Moreover, an environment of persistently low interest rates can also have the effect of flattening the yield curve in the market more generally, which could reduce the premium generated by BNPP from its funding activities. A flattening yield curve can also influence financial institutions to engage in riskier activities in an effort to earn the desired level of returns, which can increase overall market risk and volatility. Low interest rates may also negatively affect the profitability of BNPP's insurance activities, which may not be able to generate sufficient returns to be competitive with other investment products. Low interest rates may also adversely affect commissions charged by BNPP's asset management subsidiaries on money market and other fixed income products. A reduction in credit spreads and decline in retail banking income resulting from lower portfolio interest rates may adversely affect the profitability of BNPP's retail banking operations.

However, the end of a period of prolonged low interest rates, in particular due to tightening monetary policy, also carries risks. In this respect, the U.S. Federal Reserve tightened its monetary policy in 2017 and 2018, before lowering its key interest rate as from July 2019. If market interest rates were to rise, a portfolio featuring significant amounts of lower interest loans and fixed income assets would be expected to decline in value. If BNPP's hedging strategies are ineffective or provide only a partial hedge against such a change in value, BNPP could incur losses. Any sharper or more rapid than expected tightening could have a negative impact on the economic recovery. On the lending side, it could in particular cause stress in loan and bond portfolios, possibly leading to an increase in non performing exposures and defaults. More generally, the ending of accommodative monetary policies (including liquidity infusions from central bank asset purchases) may lead to severe corrections in certain markets or asset classes (e.g., non investment grade corporate and sovereign borrowers, certain sectors of equities and real estate) that particularly benefitted (including from very low risk premia as compared to historical averages) from the prolonged low interest rate and high liquidity environment, and such corrections could potentially be contagious to financial markets generally, including through substantially increased volatility.

- 5.3 *Given the global scope of its activities, BNPP may be vulnerable to risk in certain countries where it operates and may be vulnerable to political, macroeconomic or financial changes in the countries and regions where it operates.*

BNPP is subject to country risk, meaning the risk that economic, financial, political or social conditions in a given foreign country in which it operates could affect its business and results. BNPP monitors country risk and takes it into account in the fair value adjustments and cost of risk recorded in its financial statements. However, a significant change in political or macroeconomic environments may require it to record additional charges or to incur losses beyond the amounts previously written down in its financial statements. In addition, factors specific to a country or region in which BNPP operates could make it difficult for it to carry out its business and lead to losses or impairment of assets.

At 31 December 2018, BNPP's loan portfolio consisted of receivables from borrowers located in France (32%), Belgium and Luxembourg (14%), Italy (10%), other European countries (19%), North America (13%), Asia (6%) and the rest of the world (6%). Adverse conditions that particularly affect these countries and regions would have a particularly significant impact on BNPP. In addition, BNPP has significant exposures in countries outside the OECD, which are subject to risks that include political instability, unpredictable regulation and taxation, expropriation and other risks that are less present in more developed economies.

## 6. Regulatory Risks

- 6.1 *Laws and regulations adopted in recent years, particularly in response to the global financial crisis, as well as new legislative proposals, may materially impact BNPP and the financial and economic environment in which it operates.*

Laws and regulations have been enacted in the past few years, in particular in France, Europe and the United States, with a view to introducing a number of changes, some permanent, in the financial environment. The impact of the measures has changed substantially the environment in which BNPP and other financial institutions operate.

The measures that have been adopted include:

- more stringent capital and liquidity requirements (particularly for global systemically important banks such as BNPP), as well as changes to the risk-weighting methodologies and the methods of using internal models that could lead to increased capital requirements;
- restrictions on certain types of activities considered as speculative undertaken by commercial banks that are prohibited or need to be ring fenced in subsidiaries (particularly proprietary trading) and are subject to prudential requirements and autonomous funding;
- prohibitions or restrictions on certain types of financial products or activities;
- enhanced recovery and resolution regimes, in particular the Bank Recovery and Resolution Directive of 15 May 2014 (the "**BRRD**"), which strengthens powers to prevent and resolve banking crises in order to ensure that losses are borne largely by the creditors and shareholders of the banks and in order to keep the costs incurred by taxpayers to a minimum;

- the establishment of the national resolution funds by the BRRD and the creation of the Single Resolution Board (the "**SRB**") by the European Parliament and Council of the European Union in a resolution dated 15 July 2014, which can initiate resolution proceedings for banking institutions such as BNPP, and the Single Resolution Fund (the "**SRF**"), the financing of which by BNPP (up to its annual contribution) can be significant;
- the establishment of national deposit guarantee schemes and a proposed European deposit guarantee scheme or deposit insurance which will gradually cover all or part of the guarantee schemes of participating countries;
- increased internal control and reporting requirements with respect to certain activities;
- more stringent governance and conduct of business rules and restrictions and increased taxes on employee compensation over specified levels;
- measures to improve the transparency, efficiency and integrity of financial markets and in particular the regulation of high frequency trading, more extensive market abuse regulations, increased regulation of certain types of financial products including mandatory reporting of derivative and securities financing transactions, requirements either to mandatorily clear, or otherwise mitigate risks in relation to, OTC derivative transactions (including through posting of collateral in respect of non centrally cleared derivatives);
- the taxation of financial transactions;
- enhanced protection of personal data and cybersecurity requirements;
- enhanced disclosure requirements, for instance in the area of sustainable finance; and
- strengthening the powers of supervisory bodies, such as the French Prudential Supervision and Resolution Authority (the "**ACPR**") and the creation of new authorities, including the adoption of the Single Resolution Mechanism (the "**SRM**") in October 2013, which placed BNPP under the direct supervision of the ECB as of November 2014.

These measures may have a significant impact. For example, the introduction of a required contribution to the Single Resolution Fund resulted in a substantial additional expense for BNPP (BNPP made a €0.6 billion contribution to the SRF in 2018).

These measures could be further amended, expanded or strengthened. Moreover, additional measures could be adopted in other areas. It is impossible to predict what additional measures will be adopted and, given the complexity and continuing uncertainty of a certain number of these measures, to determine their impact on BNPP. The cumulative effect of these measures, whether already adopted or that may be adopted in the future, has been and could continue to be a decrease in BNPP's ability to allocate its capital and capital resources to financing, limit its ability to diversify risks, reduce the availability of certain financing and liquidity resources, increase the cost of financing, increase the cost or reduce the demand for the products and services offered by BNPP, require BNPP to proceed with internal reorganizations, structural changes or reallocations, affect the ability of BNPP to carry on certain activities or to attract and/or retain talent and, more generally, affect its

competitiveness and profitability, which could have an impact on its profitability, financial condition and operating results.

BNPP is subject to extensive and evolving regulatory regimes in the jurisdictions in which it operates. BNPP faces the risk of changes in legislation or regulation in all of the countries in which it operates, including, but not limited to, the following:

- monetary, liquidity, interest rate and other policies of central banks and regulatory authorities;
- changes in government or regulatory policy that may significantly influence investor decisions, in particular in the markets in which BNPP operates;
- changes in regulatory requirements applicable to the financial industry, such as rules relating to applicable governance, remunerations, capital adequacy and liquidity frameworks, restrictions on activities considered as speculative and recovery and resolution frameworks;
- changes in securities regulations as well as in financial reporting, disclosure and market abuse regulations;
- changes in the regulation of certain types of transactions and investments, such as derivatives and securities financing transactions and money market funds;
- changes in the regulation of market infrastructures, such as trading venues, central counterparties, central securities depositories, and payment and settlement systems;
- changes in the regulation of payment services, crowdfunding and fintech;
- changes in the regulation of protection of personal data and cybersecurity;
- changes in tax legislation or the application thereof;
- changes in accounting norms;
- changes in rules and procedures relating to internal controls, risk management and compliance; and
- expropriation, nationalization, price controls, exchange controls, confiscation of assets and changes in legislation relating to foreign ownership.

These changes, the scope and implications of which are highly unpredictable, could substantially affect BNPP and have an adverse effect on its business, financial condition and results of operations. Some reforms not aimed specifically at financial institutions, such as measures relating to the funds industry or promoting technological innovation (such as open data projects), could facilitate the entry of new players in the financial services sector or otherwise affect BNPP's business model, competitiveness and profitability, which could in turn affect its financial condition and results of operations.

6.2 *BNPP may incur substantial fines and other administrative and criminal penalties for non compliance with applicable laws and regulations, and may also incur losses in related (or unrelated) litigation with private parties.*

BNPP is exposed to regulatory compliance risk, i.e. the failure to comply fully with the laws, regulations, codes of conduct, professional norms or recommendations applicable to the financial services industry. This risk is exacerbated by the adoption by different countries of multiple and occasionally diverging and even conflicting legal or regulatory requirements. Besides damage to BNPP's reputation and private rights of action (including class actions), non compliance could lead to material legal proceedings, fines and expenses (including fines and expenses in excess of recorded provisions), public reprimand, enforced suspension of operations or, in extreme cases, withdrawal by the authorities of operating licenses. This risk is further exacerbated by continuously increasing regulatory scrutiny of financial institutions as well as substantial increases in the quantum of applicable fines and penalties. Moreover, litigation by private parties against financial institutions has substantially increased in recent years. Accordingly, BNPP faces significant legal risk in its operations, and the volume and amount of damages claimed in litigation, regulatory proceedings and other adversarial proceedings against financial services firms have substantially increased in recent years and may increase further. BNPP may record provisions in this respect as indicated in Note 5.p to the financial statements (Provisions for contingencies and charges) as of and for the period ended 31 December 2018, set out in the BNPP 2018 Registration Document (in English).

In this respect, on 30 June 2014 BNPP entered into a series of agreements with, and was the subject of several orders issued by, U.S. federal and New York state government agencies and regulatory authorities in settlement of investigations into violations of U.S. laws and regulations regarding economic sanctions. The fines and penalties imposed on BNPP as part of this settlement included, among other things, the payment of monetary penalties amounting in the aggregate to \$8.97 billion (€6.6 billion) and guilty pleas by BNP Paribas S.A., the parent company of BNPP, to charges of having violated U.S. federal criminal law and New York State criminal law. Following this settlement, BNPP remains subject to increased scrutiny by regulatory authorities (including via the presence of an independent consultant within BNPP) who are monitoring its compliance with a remediation plan agreed with them.

BNPP is currently involved in various litigations and investigations as summarized in Note 8.b (Contingent liabilities: legal proceedings and arbitration) to its consolidated financial statements as of and for the period ended 31 December 2018, set out in the BNPP 2018 Registration Document (in English). It may become involved in further such matters at any point. No assurance can be given that an adverse outcome in one or more of such matters would not have a material adverse effect on BNPP's operating results for any particular period.

6.3 *BNPP could experience an unfavourable change in circumstances, causing it to become subject to a resolution proceeding: holders of securities of BNPP could suffer losses as a result.*

The BRRD and the Ordinance of 20 August 2015 confer upon the ACPR or the SRB the power to commence resolution proceedings for a banking institution, such as BNPP, with a view to ensuring the continuity of critical functions, avoiding the risks of contagion and recapitalizing or restoring the viability of the institution. These powers are to be implemented so that, subject to certain exceptions, losses are borne first by shareholders, then by holders of additional capital instruments qualifying as tier 1 and

tier 2 (such as subordinated bonds), then by the holders of non-preferred senior debt and finally by the holders of senior preferred debt, all in accordance with the order of their claims in normal insolvency proceedings. For reference, BNPP's medium- to long-term wholesale financing at 31 December 2018 consisted of the following: €9 billion of hybrid Tier 1 debt, €16.1 billion of Tier 2 subordinated debt, €23.4 billion of senior unsecured non-preferred debt, €80.5 billion of senior unsecured preferred debt and €29.7 billion of senior secured debt.

Resolution authorities have broad powers to implement resolution measures with respect to institutions and groups subject to resolution proceedings, which may include (without limitation): the total or partial sale of the institution's business to a third party or a bridge institution, the separation of assets, the replacement or substitution of the institution as obligor in respect of debt instruments, the full or partial write down of capital instruments, the dilution of capital instruments through the issuance of new equity, the full or partial write down or conversion into equity of debt instruments, modifications to the terms of debt instruments (including altering the maturity and/or the amount of interest payable and/or imposing a temporary suspension on payments), discontinuing the listing and admission to trading of financial instruments, the dismissal of managers or the appointment of a special manager (*administrateur spécial*).

Certain powers, including the full or partial write down of capital instruments, the dilution of capital instruments through the issuance of new equity, the full or partial write down or conversion into equity of additional capital instruments qualifying as tier 1 and tier 2 (such as subordinated bonds), can also be exercised as a precautionary measure, outside of resolution proceedings and/or pursuant to the European Commission's State Aid framework if the institution requires exceptional public financial support.

The implementation of these tools and powers with respect to BNPP may result in significant structural changes to BNPP (including as a result of asset or business sales or the creation of bridge institutions) and in a partial or total write down, modification or variation of claims of shareholders and creditors. Such powers may also result, after any transfer of all or part of BNPP's business or separation of any of its assets, in the holders of securities (even in the absence of any such write down or conversion) being left as creditors of BNPP in circumstances where BNPP's remaining business or assets are insufficient to support the claims of all or any of the creditors of BNPP.

## **7. Risks related to BNPP's growth in its current environment**

### **7.1 *BNPP's failure to implement its strategic plan could affect the trading price of its securities.***

BNPP announced a strategic plan for the 2017-2020 period on 7 February 2017. This plan contemplates a number of initiatives, including the implementation of new customer pathways, BNPP's digital transformation, continuing to improve operating efficiency and various business development initiatives. BNPP closely monitors these initiatives and provided an update on its 2020 targets on 6 February 2019 (including anticipated growth in revenues over the 2016-2020 period at 1.5% per year compared to 2.5% per year in the initial plan, and a target of recurring cost savings in 2020 of €3.3 billion compared to €2.7 billion in the initial plan). These financial targets and objectives were established primarily for purposes of internal planning and allocation

of resources, and are based on a number of assumptions with regard to business and economic conditions.

BNPP's actual results could vary significantly from these targets and objectives for a number of reasons, including the occurrence of one or more of the risk factors described elsewhere in this section. If BNPP does not achieve its objectives, its financial position and the trading price of its securities could be affected, as well as its financing costs.

Additionally, as part of BNPP's commitment to environmental responsibility within its CSR policy, it has announced a number of initiatives to support the energy transition towards a low carbon economy, including a reduction in financing for energies with the most negative environmental impact. In 2018, BNPP accordingly ceased financing for companies whose main business is fracking of gas/shale oil, oil from oil sands or oil/gas production in the Arctic as well as financing for tobacco companies. These measures (and any future ones along similar lines) may in certain cases adversely affect BNPP's results in the relevant sectors.

**7.2** *BNPP may experience difficulties integrating acquired companies and may be unable to realize the benefits expected from its acquisitions.*

BNPP makes acquisitions on a regular basis. For example, BNPP's most recent major acquisition was of substantially all of the activities of Raiffeisen Bank Polska in Poland, which was completed on 31 October 2018; such activities were subsequently merged with BGZ BNP Paribas. Integrating acquired businesses is a long and complex process, and may entail restructuring costs; in 2018, BNPP incurred €129 million in restructuring costs related mainly to the integration of LaSer, DAB Bank, GE LLD, ABN Amro Luxembourg and Raiffeisen Bank Polska. Successful integration and the realization of synergies require, among other things, proper coordination of business development and marketing efforts, retention of key members of management, policies for effective recruitment and training as well as the ability to adapt information and computer systems. Any difficulties encountered in combining operations could result in higher integration costs and lower savings or revenues than expected. There will accordingly be uncertainty as to the extent to which anticipated synergies will be achieved and the timing of their realization. Moreover, the integration of BNPP's existing operations with those of the acquired operations could interfere with its respective businesses and divert management's attention from other aspects of BNPP's business, which could have a negative impact on BNPP's business and results. In some cases, moreover, disputes relating to acquisitions may have an adverse impact on the integration process or have other adverse consequences, including financial ones.

Although BNPP undertakes an in depth analysis of the companies it plans to acquire, such analyses often cannot be complete or exhaustive. As a result, BNPP may increase its exposure to doubtful or troubled assets and incur greater risks as a result of its acquisitions, particularly in cases in which it was unable to conduct comprehensive due diligence prior to the acquisition.

**7.3** *BNPP's current environment may be affected by the intense competition amongst banking and non banking operators, which could adversely affect BNPP's revenues and profitability.*

Competition is intense in all of BNPP's primary business areas in France and the other countries in which it conducts a substantial portion of its business, including

other European countries and the United States. Competition in the banking industry could intensify as a result of consolidation in the financial services area or as a result of the presence of new players in the payment and the financing services area or the development of crowdfunding platforms. While BNPP has launched initiatives in these areas, such as the debut of Hello Bank! and its acquisition of Nickel, competitors subject to less extensive regulatory requirements or to less strict capital requirements (e.g., debt funds, shadow banks), or benefiting from economies of scale, data synergies or technological innovation (e.g., internet and mobile operators, digital platforms, fintechs), could be more competitive by offering lower prices or more innovative services. In addition, new payment systems and crypto-currencies, such as Bitcoin, and new technologies that facilitate transaction processes, such as blockchain, have developed in recent years. While it is difficult to predict the effects of these emerging technologies as well as any applicable regulations, their use could nevertheless reduce BNPP's market share or secure investments that otherwise would have used technology used by more established financial institutions, such as BNPP. If BNPP is unable to respond to the competitive environment in France or in its other major markets by offering attractive, innovative and profitable product and service solutions, it may lose market share in key areas of its business or incur losses on some or all of its activities. In addition, downturns in the economies of its principal markets could add to the competitive pressure, through, for example, increased price pressure and lower business volumes for BNPP and its competitors (the results of BNPP's various business lines in 2018 are described on pages 116 to 127 of the BNPP 2018 Registration Document (in English)). It is also possible that the imposition of more stringent requirements (particularly capital requirements and business restrictions) on large or systemically significant financial institutions, could lead to distortions in competition in a manner adverse to large private sector institutions such as BNPP.

7.4 *Changes in certain holdings in credit or financial institutions could have an impact on BNPP's financial position.*

Amounts below the thresholds for prudential capital deduction are assets subject to a risk-weight of 250% in accordance with Article 48 of Regulation (EU) No. 575/2013. These assets include: credit or financial institutions consolidated under the equity method within the prudential scope, which are weighted using the simple weighting method; significant financial interest in credit or financial institutions in which BNPP holds a stake of more than 10%; and deferred tax assets that rely on future profitability and arise from temporary differences.

The risk-weighted assets subject to this type of risk amounted to €17 billion at 31 December 2018, or 2.6% of the total risk-weighted assets of BNPP."

6. Im **Kapitel V. ANGABEN ÜBER DIE GARANTIN** der Prospekte Nr. 1 bis Nr. 6 wird der erste Absatz vollumfänglich mit dem nachfolgenden Text ersetzt:

"Die Angaben über die Garantin sind in dem BNPP 2017 Registration Document bzw. BNPP 2018 Registration Document bzw. BNPP 2019 Universal Registration Document der BNP Paribas S.A. sowie etwaigen Nachträgen und/oder Amendments dazu enthalten und an dieser Stelle per Verweis in den Basisprospekt einbezogen (eine Liste, die angibt, wo die im Wege des Verweises einbezogenen Angaben enthalten sind, befindet sich nachstehend unter "VII. PER VERWEIS EINBEZOGENE ANGABEN")."



7. Im **Kapitel V. ANGABEN ÜBER DIE GARANTIN** der Prospekte Nr. 1 bis Nr. 6, unter **1. Registrierungsformular, wie jeweils nachgetragen**, werden die bisherigen Angaben vollumfänglich mit dem nachfolgenden Text ersetzt:

"Eine Beschreibung der BNP Paribas S.A. als Garantin (die "**Garantin**" oder "**BNPP**", wobei BNPP gemeinsam mit ihren verbundenen Unternehmen auch als "**BNP Paribas Gruppe**" bezeichnet wird) ist

- im BNPP 2017 Registration Document (in der englischen Sprachfassung),
- im BNPP 2018 Registration Document (in der englischen Sprachfassung),
- im BNPP 2019 Universal Registration Document (in der englischen Sprachfassung) und
- im BNPP 2019 Universal Registration Document Amendment (in der englischen Sprachfassung),

die an dieser Stelle durch Verweis in diesen Basisprospekt einbezogen und gemäß § 11 Absatz 1 Satz 2 des WpPG in der zum Zeitpunkt der Billigung dieses Basisprospekts geltenden Fassung Bestandteil dieses Basisprospekts sind (siehe Abschnitt "VII. PER VERWEIS EINBEZOGENE ANGABEN"), enthalten.

Eine weitere Angabe der Seitenzahlen im BNPP 2017 Registration Document, im BNPP 2018 Registration Document, im BNPP 2019 Universal Registration Document bzw. im BNPP 2019 Universal Registration Document Amendment, auf die hinsichtlich der erforderlichen Angaben über die Garantin verwiesen wird, findet sich im Abschnitt "VII. PER VERWEIS EINBEZOGENE ANGABEN".

8. Im **Kapitel V. ANGABEN ÜBER DIE GARANTIN** der Prospekte Nr. 1 bis Nr. 6, unter **3. Legal and Arbitration Proceedings**, werden die bisherigen Angaben vollumfänglich mit dem nachfolgenden Text ersetzt:

"Save as disclosed on pages 248 and 249 of the BNPP 2018 Registration Document and on pages 165 and 166 of the BNPP 2019 Universal Registration Document and pages 104 and 105 of the BNPP 2019 Universal Registration Document Amendment, there have been no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which BNPP is aware), during the period covering at least the previous twelve (12) months which may have, or have had in the recent past, significant effects on the Guarantor's and/or the BNP Paribas Group's financial position or profitability. "

Infolge dessen wird der Punkt **3. Gerichts- und Schiedsverfahren**, der in der **Unverbindlichen deutschen Übersetzung der weiteren Angaben über die Garantin** enthalten ist, die jeweils am Ende der Prospekte Nr. 1 bis Nr. 6 aufgeführt ist durch folgenden Text ersetzt:

"Mit Ausnahme der auf den Seiten 248 und 249 des BNPP 2018 Registration Document, auf den Seiten 165 und 166 des BNPP 2019 Universal Registration Document und auf den Seiten 104 und 105 des BNPP 2019 Universal Registration Document Amendment dargestellten Verfahren, bestanden oder bestehen keine staatlichen Interventionen, Gerichts- oder Schiedsverfahren (einschließlich derjenigen Verfahren, die nach Kenntnis der BNPP noch anhängig sind oder eingeleitet werden können), die im Zeitraum der mindestens zwölf (12) letzten Monate bestanden/abgeschlossen wurden, und die sich erheblich auf die Finanzlage oder die Rentabilität der Garantin und/oder der BNP Paribas Gruppe auswirken bzw. in jüngster Zeit ausgewirkt haben."

9. Im **Kapitel V. ANGABEN ÜBER DIE GARANTIN** der Prospekte Nr. 1 bis Nr. 6, unter **4. Significant change in the Guarantor's financial or trading position**, werden die bisherigen Angaben vollumfänglich mit dem nachfolgenden Text ersetzt:

"There has been no significant change in the financial or trading position of BNPP or the Group since 30 September 2019 (being the end of the last financial period for which interim financial statements have been published)."

Infolge dessen wird der Punkt **4. Wesentliche Veränderungen in der Finanzlage oder der Handelsposition der Garantin**, der in der **Unverbindlichen deutschen Übersetzung der weiteren Angaben über die Garantin** enthalten ist, die jeweils am Ende der Prospekte Nr. 1 bis Nr. 6 aufgeführt ist durch folgenden Text ersetzt:

"Es sind keine wesentlichen Veränderungen in der Finanzlage oder der Handelsposition der BNPP bzw. der BNP Paribas Gruppe seit dem 30. September 2019 (als dem Ende der letzten Finanzberichtsperiode, für die ein Quartalsfinanzbericht veröffentlicht worden ist) eingetreten."

10. Im **Kapitel VII. PER VERWEIS EINBEZOGENE ANGABEN** werden in den Prospekten Nr. 1 bis Nr. 6 die in Abschnitt **3. Per Verweis einbezogene Angaben in Bezug auf die Garantin** enthaltenen Angaben durch die nachfolgenden Angaben ergänzt:

**Prospekt Nr. 1:**

"

Per Verweis einbezogene Angaben:	Betroffener Abschnitt des Prospekts
<p>(4) Angaben aus der aktualisierten Fassung des BNPP 2019 Universal Registration Document (<i>Amendement du Document d'Enregistrement Universel au 30 juin 2019 et rapport financier trimestriel déposée auprès de l'AMF le 31 octobre 2019</i>) in englischer Sprache (das "<b>BNPP 2019 Universal Registration Document Amendment</b>"), in dem in der nachstehenden Tabelle auf Seite 110 dieses Basisprospekts angegebenen Umfang;</p> <p>wobei das BNPP 2019 Universal Registration Document Amendment eine bei der AMF hinterlegte Übersetzung des in französischer Sprache erstellten BNPP 2019 Universal Registration Document Amendment (<i>Amendement du Document d'Enregistrement Universel au 30 juin 2019 et rapport financier semestriel déposée auprès de l'AMF le 31 octobre 2019</i>) ist, die in englischer Sprache bei der AMF hinterlegt worden ist.</p>	<ul style="list-style-type: none"> <li>V. ANGABEN ÜBER DIE GARANTIN – 1. Registrierungsformular, wie jeweils nachgetragen (Seite 97 dieses Basisprospekts)</li> </ul>

"

### Prospekt Nr. 2:

"

Per Verweis einbezogene Angaben:	Betroffener Abschnitt des Prospekts
<p>(4) Angaben aus der aktualisierten Fassung des BNPP 2019 Universal Registration Document (<i>Amendement du Document d'Enregistrement Universel au 30 juin 2019 et rapport financier trimestriel déposée auprès de l'AMF le 31 octobre 2019</i>) in englischer Sprache (das "<b>BNPP 2019 Universal Registration Document Amendment</b>"), in dem in der nachstehenden Tabelle auf Seite 128 dieses Basisprospekts angegebenen Umfang;</p> <p>wobei das BNPP 2019 Universal Registration Document eine bei der AMF hinterlegte Übersetzung des in französischer Sprache erstellten BNPP 2019 Universal Registration Document Amendment (<i>Amendement du Document d'Enregistrement Universel au 30 juin 2019 et rapport financier semestriel déposée auprès de l'AMF le 31 octobre 2019</i>) ist, die in englischer Sprache bei der AMF hinterlegt worden ist.</p>	<ul style="list-style-type: none"><li>• V. ANGABEN ÜBER DIE GARANTIN – 1. Registrierungsformular, wie jeweils nachgetragen (Seite 116 dieses Basisprospekts)</li></ul>

"

### Prospekt Nr. 3:

"

Per Verweis einbezogene Angaben:	Betroffener Abschnitt des Prospekts
<p>(4) Angaben aus der aktualisierten Fassung des BNPP 2019 Universal Registration Document (<i>Amendement du Document d'Enregistrement Universel au 30 juin 2019 et rapport financier trimestriel déposée auprès de l'AMF le 31 octobre 2019</i>) in englischer Sprache (das "<b>BNPP 2019 Universal Registration Document Amendment</b>"), in dem in der nachstehenden Tabelle auf Seite 142 dieses Basisprospekts angegebenen Umfang;</p> <p>wobei das BNPP 2019 Universal Registration Document eine bei der AMF hinterlegte Übersetzung des in</p>	<ul style="list-style-type: none"><li>• V. ANGABEN ÜBER DIE GARANTIN – 1. Registrierungsformular, wie jeweils nachgetragen (Seite 128 dieses Basisprospekts)</li></ul>

Per Verweis einbezogene Angaben:	Betroffener Abschnitt des Prospekts
<p>französischer Sprache erstellten BNPP 2019 Universal Registration Document Amendment (<i>Amendement du Document d'Enregistrement Universel au 30 juin 2019 et rapport financier semestriel déposée auprès de l'AMF le 31 octobre 2019</i>) ist, die in englischer Sprache bei der AMF hinterlegt worden ist.</p>	

"

**Prospekt Nr. 4:**

"

Per Verweis einbezogene Angaben:	Betroffener Abschnitt des Prospekts
<p>(4) Angaben aus der aktualisierten Fassung des BNPP 2019 Universal Registration Document (<i>Amendement du Document d'Enregistrement Universel au 30 juin 2019 et rapport financier trimestriel déposée auprès de l'AMF le 31 octobre 2019</i>) in englischer Sprache (das "<b>BNPP 2019 Universal Registration Document Amendment</b>"), in dem in der nachstehenden Tabelle auf Seite 127 dieses Basisprospekts angegebenen Umfang;</p> <p>wobei das BNPP 2019 Universal Registration Document eine bei der AMF hinterlegte Übersetzung des in französischer Sprache erstellten BNPP 2019 Universal Registration Document Amendment (<i>Amendement du Document d'Enregistrement Universel au 30 juin 2019 et rapport financier semestriel déposée auprès de l'AMF le 31 octobre 2019</i>) ist, die in englischer Sprache bei der AMF hinterlegt worden ist.</p>	<ul style="list-style-type: none"> <li>• V. ANGABEN ÜBER DIE GARANTIN – 1. Registrierungsformular, wie jeweils nachgetragen (Seite 115 dieses Basisprospekts)</li> </ul>

"

**Prospekt Nr. 5:**

"

Per Verweis einbezogene Angaben:	Betroffener Abschnitt des Prospekts
<p>(4) Angaben aus der aktualisierten Fassung des BNPP 2019 Universal Registration Document (<i>Amendement du Document d'Enregistrement Universel au 30 juin 2019 et rapport financier trimestriel déposée auprès de l'AMF le 31 octobre 2019</i>) in englischer Sprache (das "<b>BNPP 2019 Universal Registration Document Amendment</b>"), in dem in der nachstehenden Tabelle auf Seite 120 dieses Basisprospekts angegebenen Umfang;</p> <p>wobei das BNPP 2019 Universal Registration Document eine bei der AMF hinterlegte Übersetzung des in französischer Sprache erstellten BNPP 2019 Universal Registration Document Amendment (<i>Amendement du Document d'Enregistrement Universel au 30 juin 2019 et rapport financier semestriel déposée auprès de l'AMF le 31 octobre 2019</i>) ist, die in englischer Sprache bei der AMF hinterlegt worden ist.</p>	<ul style="list-style-type: none"><li>• V. ANGABEN ÜBER DIE GARANTIN – 1. Registrierungsformular, wie jeweils nachgetragen (Seite 108 dieses Basisprospekts)</li></ul>

"

**Prospekt Nr. 6:**

"

Per Verweis einbezogene Angaben:	Betroffener Abschnitt des Prospekts
<p>(4) Angaben aus der aktualisierten Fassung des BNPP 2019 Universal Registration Document (<i>Amendement du Document d'Enregistrement Universel au 30 juin 2019 et rapport financier trimestriel déposée auprès de l'AMF le 31 octobre 2019</i>) in englischer Sprache (das "<b>BNPP 2019 Universal Registration Document Amendment</b>"), in dem in der nachstehenden Tabelle auf Seite 97 dieses Basisprospekts angegebenen Umfang;</p> <p>wobei das BNPP 2019 Universal Registration Document eine bei der AMF hinterlegte Übersetzung des in</p>	<ul style="list-style-type: none"><li>• V. ANGABEN ÜBER DIE GARANTIN – 1. Registrierungsformular, wie jeweils nachgetragen (Seite 86 dieses Basisprospekts)</li></ul>

Per Verweis einbezogene Angaben:	Betroffener Abschnitt des Prospekts
französischer Sprache erstellten BNPP 2019 Universal Registration Document Amendment ( <i>Amendement du Document d'Enregistrement Universel au 30 juin 2019 et rapport financier semestriel déposée auprès de l'AMF le 31 octobre 2019</i> ) ist, die in englischer Sprache bei der AMF hinterlegt worden ist.	

”

Die darauffolgenden Absätze werden für die Prospekte Nr. 1 bis Nr. 6 durch die Verweise auf das BNPP 2019 Universal Registration Document Amendment ergänzt und daher vollumfänglich mit dem nachfolgenden Text ersetzt:

”Soweit folgend auf bestimmte Teile des BNPP 2017 Registration Document, des BNPP 2018 Registration Document, des BNPP 2019 Universal Registration Document sowie des BNPP 2019 Universal Registration Document Amendment verwiesen wird, sind nur diese Teile Bestandteile dieses Basisprospekts und die übrigen in dem BNPP 2017 Registration Document, dem BNPP 2018 Registration Document, dem BNPP 2019 Universal Registration Document sowie dem BNPP 2019 Universal Registration Document Amendment enthaltenen Informationen sind für den Anleger nicht relevant oder bereits an anderer Stelle in diesem Basisprospekt enthalten.

Die oben genannten Dokumente können auf der Internetseite der Emittentin unter [www.derivate.bnpparibas.com/service/basisprospekte](http://www.derivate.bnpparibas.com/service/basisprospekte) abgerufen werden.

In diesem Zusammenhang wird darauf hingewiesen, dass das BNPP 2017 Registration Document, das BNPP 2018 Registration Document, das BNPP 2019 Universal Registration Document sowie das BNPP 2019 Universal Registration Document Amendment jeweils nach den in Frankreich zur Umsetzung der Prospekttrichtlinie in der jeweils geltenden Fassung erlassenen Vorschriften bei der AMF hinterlegt worden sind. Die englische Sprachfassung des BNPP 2017 Registration Document, des BNPP 2018 Registration Document, des BNPP 2019 Universal Registration Document sowie des BNPP 2019 Universal Registration Document Amendment ist für die Zwecke dieses Basisprospektes rechtsverbindlich. Der (indirekte) Hinweis auf dem Deckblatt bzw. auf der zweiten Seite der jeweils vorgenannten Dokumente, wonach keine Einreichung bei der AMF erfolgt ist, ist für die Zwecke dieses Basisprospekts unbeachtlich.”

11. Im **Kapitel VII. PER VERWEIS EINBEZOGENE ANGABEN** wird in den Prospekten Nr. 1 bis Nr. 6 in **Abschnitt 3. Per Verweis einbezogene Angaben in Bezug auf die Garantin** nach der Tabelle **BNPP 2019 Universal Registration Document** die nachfolgende Tabelle eingefügt:

”

BNPP 2019 Universal Registration Document Amendment		
	<b>Vierteljährliche Finanzinformationen</b>	Seiten 3 bis 79 des BNPP 2019 Universal Registration Document Amendment
	Gruppendarstellung	Seite 3 des BNPP 2019 Universal Registration Document Amendment

	Ergebnisse des dritten Quartals 2019	Seiten 4 bis 75 des BNPP 2019 Universal Registration Document Amendment
	Bilanz zum 30. September 2019	Seite 78 des BNPP 2019 Universal Registration Document Amendment
	Kurzfristige ( <i>short term</i> ) und langfristige ( <i>long term</i> ) Kreditratings	Seite 79 des BNPP 2019 Universal Registration Document Amendment
	Risikofaktoren	Seite 79 des BNPP 2019 Universal Registration Document Amendment
	Ereignisse aus der jüngsten Zeit	Seite 79 des BNPP 2019 Universal Registration Document Amendment
	<b>Risiken und Kapitalanforderungen (ungeprüft)</b>	Seiten 80 bis 85 (bis zur Überschrift „1. Credit risk, counterparty risk and securitization risk in the banking book“) des BNPP 2019 Universal Registration Document Amendment
	<b>Zusätzliche Informationen</b>	Seiten 104 bis 106 des BNPP 2019 Universal Registration Document Amendment
	Einsehbare Dokumente	Seite 104 des BNPP 2019 Universal Registration Document Amendment
	Eventualverbindlichkeiten	Seiten 104 bis 105 des BNPP 2019 Universal Registration Document Amendment
	Wesentliche Veränderungen	Seite 106 des BNPP 2019 Universal Registration Document Amendment
	<b>Abschlussprüfer</b>	Seite 107 des BNPP 2019 Universal Registration Document Amendment

12. Im **Kapitel XII. ZUSÄTZLICHE ANGABEN** der vorgenannten Prospekte, unter **6. Einsehbare Dokumente**, werden die bisherigen Angaben in Bezug auf BNP Paribas S.A. als Garantin bezüglich der Jahres- und Zwischenabschlüsse und die beiden Absätze darunter aktualisiert und um die Quarterly Financial Information for the period ended 30 September 2019 sowie um das BNPP 2019 Universal Registration Document Amendment ergänzt:

"

- the Articles of Association (Satzung) of BNPP as Guarantor;
- the Consolidated Financial Statements - Year ended 31 December 2017 and the Consolidated Financial Statements - Year ended 31 December 2018 (die geprüften konsolidierten Jahresabschlüsse der BNPP als Garantin zum, und für die Jahre endend am 31. Dezember 2017 und 31. Dezember 2018);
- the Quarterly Financial Information for the period ended 30 September 2019 (der Quartalsbericht zum 30. September 2019);
- the Guarantee (Garantie) of BNPP;
- the BNPP 2017 Registration Document (BNPP 2017 Registrierungsformular);
- the BNPP 2018 Registration Document (BNPP 2018 Registrierungsformular)
- the BNPP 2019 Universal Registration Document (BNPP 2019 Einheitliche Registrierungsformular) and
- the BNPP 2019 Universal Registration Document Amendment (BNPP 2019 Einheitliche Registrierungsformular Amendment).

In addition, the Guarantor's quarterly results (Quartalsberichte) since 2016, the semi-annual reports (Halbjahresfinanzberichte) and the annual Consolidated Financial Statements (Jahresabschlüsse) since 2014 can be found under [www.derivate.bnppparibas.com/service/ueberuns/finanzinformationen](http://www.derivate.bnppparibas.com/service/ueberuns/finanzinformationen) or will be published there after their release, respectively.

The Guarantor's Registration Document as well as any updates thereto and the Guarantor's Universal Registration Document as well as any amendments thereto can be found under [www.derivate.bnppparibas.com/service/basisprospekte](http://www.derivate.bnppparibas.com/service/basisprospekte) and may be inspected and are available free of charge at the Issuer's address at Europa-Allee 12, 60327 Frankfurt am Main."