

PRESS RELEASE

BNP PARIBAS ISSUANCE B.V. (FORMERLY BNP PARIBAS ARBITRAGE ISSUANCE B.V.) HAS DETERMINED TO PROPOSE AN EXTRAORDINARY RESOLUTION ENABLING THE INTEREST RATE OF THE FOLLOWING SERIES TO SWITCH FROM USD LIBOR TO A RATE BASED ON THE SECURED OVERNIGHT FINANCING RATE (SOFR):

Issue of USD 700,000 Fixed Rate to Floating Rate Notes due 6 October 2027

“Emissione di un massimo di 700.000 USD Notes da Tasso Fisso a Tasso Variabile con scadenza 6 ottobre 2027”

Series FINTE 3141 DB with ISIN: XS1696593380

(the Notes)

Wednesday, 8 March 2023 – BNP Paribas Issuance B.V. (formerly BNP Paribas Arbitrage Issuance B.V.) (the **Issuer**) informs that the Issuer has determined today to propose to the holders of the Notes (the **Noteholders**) to adopt an Extraordinary Resolution (the **Extraordinary Resolution**) to modify the terms and conditions of the Notes (the **Conditions**), issued pursuant to the base prospectus dated 7 June 2017 with visa no 17-262 as supplemented up to and including 6 October 2017.

Such modifications will enable:

- the interest rate for the Notes to be determined by reference to the Secured Overnight Financing Rate (**SOFR**) (the **Replacement Rate**) instead of 3 month USD LIBOR (as defined below); and
- the inclusion of new fallback provisions in respect of the Replacement Rate, which are intended to provide a contractual mechanism for transitioning the Notes to refer to an alternative rate if the Replacement Rate ceases or may cease to be available in the future.

Background: Status of USD LIBOR

Based on the announcement by the UK Financial Conduct Authority (the **FCA**) on the future cessation and loss of representativeness of the 35 London Interbank Offered Rate (**LIBOR**) settings dated 5 March 2021 (the **FCA Announcement**), immediately after 30 June 2023, the U.S. Dollar (**USD**) LIBOR with a tenor of 3 months (**3 month USD LIBOR**), which is used to determine the current rate of interest for the Notes, will no longer be representative of the underlying market and economic reality it is intended to measure and its representativeness will not be restored.

As of the date of this announcement, and in line with the FCA Announcement, the IBA continues to publish overnight, 1, 3, 6 and 12 month USD LIBOR using a methodology based on panel bank submissions. Of the USD LIBOR rates still being published, IBA has indicated that it intends to cease publication of these rates immediately after 30 June 2023 unless the FCA exercises powers to require the IBA to continue publishing these rates using a changed methodology (also known as a “synthetic” methodology). As of the date of this announcement, the FCA has conducted a consultation on whether or not to require 1-, 3- and 6-month US dollar LIBOR settings to be published on a synthetic basis until end-September 2024 however it has not yet

indicated a conclusive intention to require such publication. The rate used for calculating interest in respect of the Notes will cease to be available after either 30 June 2023, or if the FCA requires the publication of synthetic US dollar LIBOR, 30 September 2024. However, the maturity date of the Notes extends beyond either such date.

In light of the above and the FCA's expectation that firms pursue active transition, the Issuer is therefore seeking consent from holders of its outstanding Notes for the proposed Extraordinary Resolution to give effect to a modification of the Conditions of the Notes and consequential or related amendments such that, for the purpose of the each determination of interest on and after 1 July 2023, the rate of interest will be determined by reference to SOFR instead of 3 month USD LIBOR.

Proposed amendments

In order to ensure a contractual mechanism for the determination of the Rate of Interest until the maturity date of the Notes, the proposed amendments to the original final terms of the Notes (the **Original Final Terms**) will amend the interest provisions for the Notes to transition away from 3 month USD LIBOR to a new rate referred to as SOFR. This is administered by the Federal Reserve Bank of New York. New fallback provisions will also be added in case the SOFR rate is not available when required. If approved by Noteholder(s), the proposed amendments will take effect on the fifth Business Day following the Expiration Deadline (the **Amendment Effective Date**) and the Notes will transition to SOFR from and including the first day of the first interest period in respect of which the date for determination of interest falls on or after 1 July 2023 (the **Replacement Effective Date**). Pursuant to the Conditions (if amended), the rate of interest for each interest period from and including the Replacement Effective Date will be determined five U.S. government securities business days prior to the end of the relevant interest rate determination period, being the period from (and including) the first day in that interest period, to (but excluding) the numerically corresponding day in the third consecutive month thereafter.

For the avoidance of doubt, the new SOFR rate will NOT apply to payments of interest in respect of interest periods commencing before the Replacement Effective Date.

A notice and consent solicitation will be notified today to the Noteholders via the relevant clearing system(s) (the **Notice and Consent Solicitation** or the **Notice**). Noteholder(s) should provide their electronic voting instructions through the relevant clearing system by no later than 12:00pm (London time) on 5 April 2023 or any earlier deadline specified by the clearing system (the **Expiration Deadline**).

Noteholders may vote in favour of or against giving such consent or alternatively abstain from voting should they wish to do so. By voting in favour, Noteholders will be giving their consent to the amendments set out in the Amended and Restated Final Terms contained in the Notice. It is important that Noteholders read the information in Notice and Consent Solicitation carefully when deciding whether and how to vote and where appropriate, consult with their legal, tax, financial, business, regulatory, accounting, investment and other advisers. In order to amend the rate of interest applicable to the Notes, consent must be received from Noteholders of at least 90 per cent. in outstanding nominal amount of the Notes. If a Noteholder does vote in favour of giving consent but the requisite number of votes in favour of consent are not received from the other Noteholders, the amendments in respect of the Notes will not be effective. If a Noteholder does not vote in favour of giving consent, or if it abstains from voting, but the requisite number of votes in favour of consent are received from the other Noteholder(s), the proposed Extraordinary Resolution will be passed and will be binding on all Noteholders.

What happens if the Consent Solicitation is not passed?

If insufficient votes are received from holders of the Notes for the proposed Extraordinary Resolution to give effect to the relevant modifications of the Conditions of the Notes, the Conditions of the Notes will continue to refer to the Rate of Interest for the Notes as being determined by reference to USD LIBOR.

If the FCA requires the publication of synthetic US dollar LIBOR, the Rate of Interest for the Notes would therefore be determined by reference to that synthetic rate until its cessation on 30 September 2024. The express Conditions of the Notes provide that, in the absence of a screen rate available for US dollar LIBOR, the Rate of Interest would be determined on the basis of quotations sought by the Calculation Agent from Reference Banks. However, if there is no screen rate for US dollar LIBOR and if the synthetic rate has ceased to be available, it is unlikely that Reference Banks would be able to provide any such quotations. As a consequence under the express Conditions of the Notes, the Rate of Interest would be determined as at the last preceding Interest Determination Date.

The passing of the proposed Extraordinary Resolution would therefore provide certainty to Noteholders as to how the Rate of Interest should be determined.

Regardless of the outcome of the Extraordinary Resolution, the Issuer reserves the right to take any further action with respect to the Notes, including convening a meeting of the Noteholder(s) or exercising any other rights under the Conditions.

It is possible that any of the outcomes described above may adversely affect the value of the Notes. The matters set out in this announcement and in the Notice give rise to investment risks and considerations.

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This announcement and the Notice are important and require immediate attention. This announcement and the Notice contain important information which should be read carefully before any decision is made with respect to the proposals set out herein. Any Noteholder in doubt as to the action they should take is recommended to seek independent legal, tax, financial, business, regulatory and accounting advice and consult their professional investment advisor. Any individual or company whose Notes are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee must contact such entity if it wishes to vote in respect of the proposal.

Each Noteholder must make its own decision as to whether or not to consent to the relevant proposals set out in this announcement and the Notice and none of the Issuer nor any of the Agents makes any recommendation as to whether or not or how Noteholders should vote in respect of the proposal. This announcement and the Notice are not intended to be, and should not be relied upon as, legal, tax, financial, business, regulatory accounting, investment or other advice. The Issuer is not providing investors with any such advice and investors should consult their own advisors for advice on risks relating to the reform of interest rate benchmarks. The information contained in this announcement and in the Notice are not intended to be comprehensive. Material developments may have occurred since the date of this announcement. In particular, this announcement and the Notice are not intended to address all financial and other risks that may arise in connection with interest rate benchmark reforms and/or transactions referencing affected benchmarks or otherwise impacted by changes to those benchmarks.

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