



BANQUE PALATINE
(société anonyme à conseil d'administration)

€ 5,000,000,000

Euro Medium Term Note Programme

This prospectus supplement no. 1 (the "**Prospectus Supplement no. 1**") constitutes a first supplement to and must be read in conjunction with the Base Prospectus dated **25 June 2020** which received visa no. **20-282** from the *Autorité des marchés financiers* (the "**AMF**") on **25 June 2020** (the "**Base Prospectus**") prepared by **Banque Palatine** (the "**Issuer**") with respect to its Euro 5,000,000,000 Euro Medium Term Note Program (the "**Program**"). The Base Prospectus as supplemented by this Prospectus Supplement no.1 constitutes a base prospectus for the purpose of Article 8 of the Prospectus Regulation to be published when securities are offered to the public or admitted to trading, as amended (the "**Prospectus Regulation**").

This prospectus supplement no. 1 (the "**Prospectus Supplement no. 1**") should also be read in conjunction with the Final Terms dated 26 June 2020 ("**Final Terms of Palatine Europe Opportunité 15**") related to the issuance of Euro Medium Term Notes by Banque Palatine, the final redemption of which is referenced on the price of the EURO STOXX 50® Index and maturing on the 15th September 2023 (ISIN: FR0013515624) and with the Final Terms dated 26 June 2020 ("**Final Terms of Palatine Europe Opportunité 16**") related to the issuance of Euro Medium Term Notes by Banque Palatine, the final redemption of which is referenced on the price of the EURO STOXX 50® Index and maturing on the 15th September 2025 (ISIN: FR0013515590).

Terms defined in the Base Prospectus shall have the same meaning when used in this Prospectus Supplement no. 1.

This Prospectus Supplement no. 1 has been prepared pursuant to Article 23 of the Regulation (EU) 2017/1129 (the Prospectus Regulation) for the purpose of giving information with regard to the Issuer and the notes to be issued under the Program additional to the information already included or incorporated by reference in the Base Prospectus. This Prospectus Supplement no. 1 aims also to modify the Paragraph 8 (b) of Part B and the Annex – Issue Specific Summary of the Final Terms of Palatine Europe Opportunité 15 and the Paragraph 8 (b) of Part B and the Annex – Issue Specific Summary of the Final Terms of Palatine Europe Opportunité 16 in order to notify investors the engagement of Banque Palatine to organize a daily secondary market with a buy / sell range of 1% under normal market conditions and to inform them of the non audited financial statements of Banque Palatine as of 30 June 2020.

This Prospectus Supplement no. 1, the Base Prospectus and any documents incorporated by reference herein and therein will be published on the website of the Issuer (<https://www.palatine.fr/>) and filed with the AMF.

Pursuant to Article 23 of the Regulation (EU) 2017/1129 (the Prospectus Regulation), investors who have already accepted to purchase or subscribe for any Notes to be issued under the Program before this Prospectus Supplement no. 1 is published, shall have the right, exercisable within a time limit which shall not be shorter than two working days after the publication of this Prospectus Supplement no. 1 i.e. 28 August 2020, to withdraw their acceptance, provided that the new factor, material mistake or inaccuracy was prior to the final closing of the public offer and delivery of the financial securities. Investors who wish to exercise this right may contact their usual Banque Palatine interlocutor.



The supplement to the prospectus was approved on August 26, 2020 by the AMF, in its capacity as competent authority under Regulation (EU) 2017/1129.

The AMF approves this document after verifying that the information contained in the prospectus is complete, consistent and understandable within the meaning of Regulation (EU) 2017/1129.

This approval should not be considered as a favourable opinion on the issuer covered by the supplement.

The supplement to the prospectus has the following approval number: 20-429

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MODIFICATION OF FINAL TERMS OF EMTNs

Paragraph 8 (b) of Part B of the Final Term of Palatine Europe Opportunité 15 (Page 12) and of the Final Term of Palatine Europe Opportunité 16 (Page 14) are deleted and replaced by the following paragraph:

(b) Name and address of entities that have agreed to act as authorised intermediaries on the secondary market by providing bid/ask liquidity and description of the main terms of their undertaking:	Banque Palatine 42 rue d'Anjou 75 008 Paris Banque Palatine will organize a daily secondary market with a buy / sell range of 1% under normal market conditions
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The section « What is the key financial information regarding the Issuer? » of the ANNEX – ISSUE SPECIFIC of the Final Terms of Palatine Europe Opportunité 15 (Page 18) and of the Final Terms of Palatine Europe Opportunité 16 (Page 20) are deleted and replaced by the following paragraph:

What is the key financial information regarding the Issuer?				
Income statement				
In Millions of €	Year 31/12/2019	Year -1 31/12/2018	Interim 30/06/2020	Interim-1 30/06/2019
Net interest income (or equivalent)	220.4	219.4	111.3	108.1
Net fee and commission income	95.8	92.7	41.8	45.1
Net impairment loss on financial assets	-49.0	-41.4	-55.4	-24
Net trading income	17.2	21.5	12	9.4
Measure of financial performance used by the issuer in the financial statements such as operating profit	78.78%	76.16%	74.2%	77.3%
Net profit or loss (for consolidated financial statements net profit or loss attributable to equity holders of the parent)	18.4	23.4	-9.3	11.5
Balance sheet				
In Millions of €	Year 31/12/2019	Year -1 31/12/2018	Interim 30/06/2020	Interim-1 30/06/2019
Total assets	14 730.3	15 170.9	17 103.6	15 065.7
Senior debt	0	0	0	0
Subordinated debt	200.2	200.2	200.2	200.2
Loans and receivables from customers (net)	9 714.7	9 008.1	10 881.6	9 380.2
Deposits from customers	9 492.9	9 141.7	10 583.4	9 068.4

Total equity	1 037.3	863.9	1 008.1	884.7
Non performing loans (based on net carrying amount)/Loans and receivables)	5.08%	5.20%	Information not published in interim Financial Report	Information not published in interim Financial Report
Common Equity Tier 1 capital (CET1) ratio or other relevant prudential capital adequacy ratio depending on the issuance	9.20%	7.99%	8.75%	8.19%
Total Capital Ratio	12.26%	11.18%	11.71%	11.36%
Leverage Ratio calculated under applicable regulatory framework	6.08%	5.02%	Information not published in interim Financial Report	Information not published in interim Financial Report

Save as disclosed in the Base Prospectus, including with respect to the future economic impacts linked to the current situation with Covid-19, there has been no significant change in the financial performance or financial position of the Group since 30 June 2020.

Save as disclosed in the Base Prospectus, including with respect to the future economic impacts linked to the current situation with Covid-19, there has been no material adverse change in the prospects of the Issuer since 31 December 2019.

The section « Quali sono le informazioni finanziarie fondamentali relative all'emittente? » of the ANNEX – ISSUE SPECIFIC of the Final Terms of the Palatine Europe Opportunità 15 (Page 26) and of the Final Terms of the Palatine Europe Opportunità 16 (Page 28) are deleted and replaced by the following paragraph:

Quali sono le informazioni finanziarie fondamentali relative all'emittente?				
Conto economico				
In Milioni di €	Anno 31/12/2019	Anno -1 31/12/2018	Intermedio 30/06/2020	Intermedio -1 30/06/2019
Ricavi netti da interessi (o valore equivalente)	220.4	219.4	111.3	108.1
Ricavi netti da commissioni e compensi	95.8	92.7	41.8	45.1
Perdita netta di valore sulle attività finanziarie	-49.0	-41.4	-55.4	-24
Ricavi commerciali netti	17.2	21.5	12	9.4
Misura della performance finanziaria utilizzata dall'emittente nel bilancio, ad esempio utile d'esercizio	78.78%	76.16%	74.2%	77.3%
Utile o perdita netti (per il bilancio consolidato l'utile o perdita netti attribuibili ai possessori di capitale proprio dell'impresa madre)	18.4	23.4	-9.3	11.5
Stato patrimoniale				
In Milioni di €	Anno 31/12/2019	Anno -1 31/12/2018	Intermedio 30/06/2020	Intermedio -1 30/06/2019
Attività totali	14 730.3	15 170.9	17 103.6	15 065.7
Debito di primo rango (senior)	0	0	0	0

Debiti subordinati	200.2	200.2	200.2	200.2
Finanziamenti e crediti di clienti (netti)	9 714.7	9 008.1	10 881.6	9 380.2
Depositi di clienti	9 492.9	9 141.7	10 583.4	9 068.4
Capitale totale	1 037.3	863.9	1 008.1	884.7
Crediti deteriorati (sulla base del valore contabile netto)/finanziamenti e crediti)	5.08%	5.20%	Informazioni non pubblicate nel resoconto intermedio di gestione	Informazioni non pubblicate nel resoconto intermedio di gestione
Coefficiente di capitale di base di classe 1 (CET1) o altro coefficiente di adeguatezza patrimoniale prudenziale pertinente a seconda dell'emissione	9.20%	7.99%	8.75%	8.19%
Coefficiente di capitale totale	12.26%	11.18%	11.71%	11.36%
Coefficiente di leva finanziaria calcolato secondo il quadro normativo applicabile	6.08%	5.02%	Informazioni non pubblicate nel resoconto intermedio di gestione	Informazioni non pubblicate nel resoconto intermedio di gestione

Salvo quanto indicato nel Prospetto di Base in relazione ai futuri impatti economici legati alla situazione attuale con Covid-19, non è stato riscontrato alcun cambiamento negativo sostanziale nelle prospettive dell'Emittente dal 30 giugno 2020.

Salvo quanto indicato nel Prospetto di Base in relazione ai futuri impatti economici legati alla situazione attuale con Covid-19, non vi sono stati altri cambiamenti significativi nella situazione finanziaria o commerciale dell'Emittente dal 31 dicembre 2019.

MODIFICATION OF THE BASE PROSPECTUS- RISK FACTORS

On page 19, the paragraph headed "Unforeseen events (such as the sanitary crisis related to the Covid-19) may cause an interruption of Banque Palatine's operations and cause substantial losses as well as additional costs" of the Base Prospectus is deleted in its entirety and replaced with the following:

Unforeseen events like severe natural disasters, pandemics, terrorist attacks or other states of emergency can lead to an abrupt interruption of operations of entities in Banque Palatine, and, to the extent not partially or entirely covered by insurance, can cause substantial losses. Such losses can relate to property, financial assets, trading positions and key employees. Such unforeseen events may additionally disrupt the bank's infrastructure, or that of third parties with which it conducts business, and can also lead to additional costs (such as relocation costs of employees affected) and increase costs (such as insurance premiums). Such events may also make insurance coverage for certain risks unavailable and thus increase the Issuer's global risk.

In particular, the lockdown of the entire population in France and around the world during the coronavirus crisis has caused a sharp contraction of the economy in the first semester of 2020 following the development of the sanitary crisis related to Covid-19. The first expected or observed macroeconomic impacts are already being felt: global growth is declining, unemployment is rising, central banks are pursuing a policy of lowering rates (e.g. the Fed's rate cut at the beginning of March, the easing of ECB TLTRO conditions, the easing of the asset repurchasing programs) and the financial markets are dropping sharply before stabilizing at an intermediate level. Beyond the issues of the macroeconomic and financial markets crisis, the fight against coronavirus was characterized by the confinement of the maximum of people. This confinement made the management of medium-sized businesses, Banque Palatine's core target clients, very difficult and the restart is sluggish in fear of a second wave. However, French Government has set up a lot of support measures to help these enterprises to survive to the coronavirus crisis (e.g. mobilization of the State to the tune of 300 billion euros to guarantee bank cash lines which businesses may need because of the epidemic, deferral of payment of rents, water, gas and electricity bills for the smallest businesses in difficulty,...). In the context of the economic shock caused by the health crisis, the multiplication of companies placing themselves in ad hoc mandate or in conciliation procedure in the first half of the year weighed heavily on the cost of risk which also includes an allocation for IFRS provisions. 9 on healthy outstandings of € 15.3 million: € 55.4 million in the first half of 2020 compared to € 24 million in the first half of 2019. Finally, in order to respect confinement restrictions which limits the spread of the virus and to protect the health of its employees while ensuring business continuity, Banque Palatine has taken a certain number of decisions, notably the physical separation of teams carrying out a vital activity for Banque Palatine, the opening of back-up locations or teleworking. The deconfinement, from May 18, enabled the Bank to regain full operational performance with staff working in shifts, 50% on site and 50% teleworking. Banque Palatine has made this choice to remain reactive in the event of a second wave of Covid-19 in the second half of the year and to be able to carry out its IT migration, now reprogrammed in mid-October 2020. This postponement should represent a total additional cost in 2020 of just over € 13 million. The bank has adapted all of its IT switchover device to be able to do it remotely. Each of these impacts constitutes a risk that can adversely affect the results and solvency metrics (CET1 ratio) of Banque Palatine in the future.

MODIFICATION OF THE BASE PROSPECTUS- DOCUMENTS INCORPORATED BY REFERENCE

On page 43, the section headed "DOCUMENTS INCORPORATED BY REFERENCE" of the Base Prospectus is deleted in its entirety and replaced with the following:

This Base Prospectus should be read and construed in conjunction with the information which are identified in the cross reference table below contained in the following documents which shall be incorporated in, and shall be deemed to form part of, this Base Prospectus:

- (a) the 2019 annual financial report (the "**2019 Financial Report**") of the Issuer in English language which includes the consolidated financial statements for the fiscal year ended 31 December 2019, together with the explanatory notes and the related auditors reports;

https://www.palatine.fr/fileadmin/user_upload/BANQUE_PALATINE_FINANCIAL_REPORT_2019.pdf

- (b) the 2018 annual financial report (the "**2018 Financial Report**") of the Issuer in English language which includes the consolidated financial statements for the fiscal year ended 31 December 2018, together with the explanatory notes and the related auditors reports;

https://www.palatine.fr/fileadmin/user_upload/pdf/infos-financieres/PALATINE_RFA_VA_2018.pdf

- (c) the sections "Terms and Conditions of the Notes" of the following base prospectuses:

- (i) the base prospectus dated 4 July 2019 (pages 89 to 121) (the "**2019 EMTN Conditions**"),

https://www.palatine.fr/fileadmin/user_upload/Banque-Palatine-Update-2019-Base-Prospectus-_v.finale_avec_visas_.pdf

- (ii) the base prospectus dated 4 July 2018 (pages 86 to 114) (the "**2018 EMTN Conditions**"),

https://www.palatine.fr/fileadmin/user_upload/pdf/infos-financieres/Banque-Palatine_Update-2018_Base-Prospectus.pdf

- (iii) the base prospectus dated 4 July 2016 (pages 78 to 106) (the "**2016 EMTN Conditions**"), and

https://www.palatine.fr/fileadmin/user_upload/pdf/infos-financieres/Banque-Palatine-EMTN-Base-Prospectus-2016.pdf

- (iv) the base prospectus dated 22 August 2014 (pages 49 to 73) (the "2014 EMTN Conditions" and, together with the 2019 EMTN Conditions, 2018 EMTN Conditions, 2016 EMTN Conditions, the "**EMTN Previous Conditions**") and

https://www.palatine.fr/fileadmin/user_upload/pdf/infos-financieres/Banque_Palatine_Prospectus_de_Base_final_avec_visas.PDF

- (d) the press release "Résultats 2019 : une activité commerciale soutenue, dans un contexte d'investissements informatiques majeurs" in French language, published on 9 March 2020, which includes unaudited condensed financial statements for the fiscal year ended 31 December 2019 (the "**2019 Annual Results Press Release**").

https://www.palatine.fr/fileadmin/user_upload/CP_Palatine_Resultats2019_090320.pdf

- (e) the press release "Résultats du premier semestre 2020 ; Une solide performance commerciale ; Un coût du risque en forte progression" in French language, published on 4 August 2020, which includes non-audited condensed financial statements as of 30 June 2020; (the "**2020 Semi Annual Results Press Release**").

https://www.palatine.fr/fileadmin/user_upload/2020052617_BP_CA_VF_040820.pdf

- (f) the interim financial report as of June 2020 (the « **Rapport Financier Semestriel 30 Juin 2020** ») of the issuer in French language, which includes non-audited condensed financial statements, notes to the financial statements as well as auditor's limited review report;

https://www.palatine.fr/fileadmin/user_upload/RFS_Palatine_S1_2020.pdf

For the sake of clarity, sections not identified in the table below shall not form part of this Base Prospectus and are either not relevant for the investors or covered elsewhere in this Base Prospectus. Any statement contained in the documents incorporated by reference shall be modified or superseded for the purpose of this Base Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Base Prospectus. Any websites included in this Base Prospectus are for information purposes only and do not form part of the Base Prospectus.

Other than in relation to the documents which are deemed to be incorporated by reference, the information on the websites to which this Base Prospectus (including, for the avoidance of doubt, any information on the websites which appear in the documents incorporated by reference) refers does not form part of this Base Prospectus and has not been scrutinised or approved by the AMF.

For as long as any Notes are outstanding, all documents incorporated by reference into this Base Prospectus may be obtained, free of charge at the registered office of the Issuer during normal business hours, and will be available on the website of the Issuer (<https://www.palatine.fr/>) and on the following website : <https://www.info-financiere.fr/pages/home/>.

Cross Reference Table - Annex VI of Commission Delegated Regulation (EU) 2019/980 supplementing the Prospectus Regulation

	Rapport Financier Semestriel 30 Juin 2020	2020 Semi Annual Results Press Release	2019 Annual Results Press Release	2019 Financial Report	2018 Financial Report
4. INFORMATION ABOUT THE ISSUER					
4.1.5 Details of any recent events particular to the Issuer and which are to a material extent relevant to an evaluation of the Issuer's solvency	Pages 4 to 5	Pages 1 and 2	Not Applicable	Pages 5 to 14	Not Applicable
7. TREND INFORMATION					
7.2 Information of any known trends	Pages 7 to 13	Pages 1 and 2	Not Applicable	Pages 14 and 64	Not Applicable
11. FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES					
11.1 Historical Financial Information					
11.1.1 Audited historical financial information	Not Applicable	Not Applicable	Not Applicable	Pages 58 to 166	Pages 56 to 159
11.1.6 Consolidated financial statements	Not Applicable	Not Applicable	Page 3	Pages 58 to 166	Pages 56 to 159
11.2 Interim and other financial information	Pages 20 to 72	Pages 2 and 3	Page 3	Not Applicable	Not Applicable
11.3 Auditing of historical annual financial information	Pages 16 to 18	Not Applicable	Not Applicable	Pages 167 to 178	Pages 160 to 170

11.4 Legal and arbitration proceedings	Not Applicable	Not Applicable	Not Applicable	Pages 204 to 205	Not Applicable
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The EMTN Previous Conditions are incorporated by reference into the Base Prospectus for the purpose only of further issues of Notes to be assimilated (assimilées) and form a single Series with Notes already issued under the relevant EMTN Previous Conditions.

<i>EMTN Previous Conditions</i>	
2019 EMTN Conditions	Pages 89 to 119
2018 EMTN Conditions	Pages 86 to 114
2016 EMTN Conditions	Pages 78 to 106
2014 EMTN Conditions	Pages 49 to 72

MODIFICATION OF THE BASE PROSPECTUS-DESCRIPTION OF THE ISSUER

On page 301, the paragraph "Description of known trends affecting the Issuer and the markets in which it operates" of the section headed "DESCRIPTION OF THE ISSUER" of the Base Prospectus is deleted in its entirety and replaced with the following:

1°) Commercial banking

During the confinement, the majority of the employees of the Banque Palatine network remained active (teleworking for the majority) and in contact with customers to maintain the same level of service as in the normal period on the bank on a daily basis as well as that to manage the requests related to the exceptional situation: loans guaranteed by the State (PGE) and deferrals of credit maturities.

99% of target customers in the corporate market and 97% of target customers in the private customer market were proactively contacted during the month of April. An initiative particularly appreciated by these customers since the overall customer satisfaction score, measured in May 2020, has increased and stands at 8.1 / 10 (against 7.6 in 2019) for the business market and 7.6 / 10 (compared to 7.2 in 2019) for the private customer market.

Banque Palatine's commercial activity held up well in its two markets during the first half of 2020:

Corporate Market

- The conquest of the core target customers continued at a satisfactory pace. 123 entries in relation to companies with more than 15 million euros in turnover were made, compared to 118 at end-June 2019, an increase of 4.3%. However, it was observed that the number of account openings awaiting flow has, for its part, fallen significantly.
- Synergies with the private customer market have enabled the opening of 135 private customer accounts.
- The production of medium and long-term loans to companies reached a record level of 1,959 million euros including 989 million euros of "PGE". Non-PGE production was stable compared to June 30, 2019 at 970 million euros. This exceptional production led to a 22.5% increase in medium and long-term outstandings, which reached 6,823 million euros. In addition, deadlines extension have been put in place for around 180 million euros over an average period of six months.
The Bank continues to assert its positioning as an arranger or co-arranger in structured finance transactions: 12 transactions were signed over the period with commissions exceeding 100,000 euros for a total of 3.1 million euros, despite a marked slowdown in the second quarter.
- The average outstanding balance sheet resources, at more than 10 billion euros, remains stable compared to June 30, 2019.

Private banking market

- The conquest of new core target customers is in line with the objective for 2020 with an achievement rate of 50.5%.
- Net inflows are positive, at 111 million euros, down 30% compared to June 30, 2019. Unit-linked inflows represent 51% of life insurance inflows against 38% in 2019 on the same date.
- Outstanding savings stood at 4.897 billion euros, or + 2% compared to June 30, 2019.
- Our clients' project financing activity remained strong, with an 11% increase in outstanding loans compared to June 30, 2019, to reach € 1.972 billion as of June 30, 2020.

Asset management - Palatine Asset Management

Markets were hit hard in the first quarter by a previously unprecedented global economic disruption. Equity markets fell more than 40% in March compared to February highs. Bond markets were hit hard by soaring credit spreads exceeding 2% to cite only the best signatures, while liquidity pulled back from the negotiable debt securities market under the impact of massive monetary fund buybacks.

From a management perspective, equity mutual funds have demonstrated the relevance of the Growth at Reasonable Price approach, with significant outperformance relative to the indices and much lower volatility. This profile is even more defensive on ecological investments (Palatine Planète).

Fixed income funds were challenged by extremely tense market conditions for several weeks despite the ECB's commitments. But the quality of the credit research and the arbitrage work of the managers made it possible to cope, while the sales managers maintained the close link with the carriers.

At the end of June, Palatine Asset Management posted positive net inflows in equities and bonds over the first half, slightly negative in money markets and total assets under management of 3.929 billion euros, which compares to 4.041 billion euros at the end of June, 2019.

The impact of the crisis and the fall in equity indices is significant for the net income for the first half of 2020: 1.816 million euros, which compares to 2.427 million euros in the first half of 2019.

The axes of the strategic plan, validated by this unprecedented crisis, are unchanged: concentration of the range, dissemination of SRI, external distribution, cost control.

Activities and results of other subsidiaries and consolidated holdings

The subsidiary Ariès Assurances, an insurance brokerage company, fully consolidated, reported net income of 0.039 million euros, compared to 0.122 million in 2019.

Consolidated by the equity method, Conservateur Finance, a finance and investment company, presented a share of net income in 2020 at 0.159 million euros, compared to 0.274 million euros in 2019.

2°) Financial activities

Financial year 2019 was again marked by an unfavourable interest rate context.

In this environment, Banque Palatine invested €373 million over the year, mainly in Eurozone sovereign bonds during the first half. At the end of 2019, the value of the portfolio stood at €1,630 million. This portfolio's objective is to constitute the liquidity reserve of the Liquidity Coverage Ratio ("LCR"). As this portfolio is eligible to be posted as collateral against central bank financing, these securities represent a secure source of funding for Banque Palatine.

Banque Palatine's financial strategy is in line with the regulatory ratios set by the Group. The LCR remained above 100% throughout 2019.

Banque Palatine's financing is assured by customer deposits thanks to a complete range of investment products. The ratio of loans to customer deposits was close to 100% at the end of the year. Banque Palatine therefore has a substantial customer deposit base giving it significant scope for commercial development. Indeed, although loans outstanding are continuing to increase, the capital adequacy ratio has been maintained at a high level all year.

In 2019, Banque Palatine maintained its targets for balance sheet management, limiting its liquidity and rate risks:

- managing short- and medium-long-term liquidity is first and foremost aimed at ensuring the refinancing of Banque Palatine while guaranteeing attractive loan terms for its customers;
- the second objective is the strict control of interest-rate risk on the balance sheet. This approach allows Banque Palatine to manage changes in yields caused by interest rate movements. Through its careful management of its balance sheet, Banque Palatine is well-prepared for any future changes in interest rates. The residual gap measuring global interest-rate risk is now negative, which means Banque Palatine's balance sheet is favourably exposed to any rise in rates.

MODIFICATION OF THE BASE PROSPECTUS-GENERAL INFORMATION

On page 317 of the Base Prospectus, the paragraphs 3 is deleted in its entirety and replaced as follows:

3. Save as disclosed in the Base Prospectus, including with respect to the future economic impacts linked to the current situation with Covid-19, there has been no significant change in the financial performance or financial position of the Group since 30 June 2020.

**PERSON RESPONSIBLE FOR THE INFORMATION GIVEN IN THE PROSPECTUS
SUPPLEMENT NO. 1**

Sylvie Ferrier, *Directrice Finances*

Declaration by the person responsible for the Prospectus Supplement no. 1

I hereby certify that, to the best of my knowledge, the information contained in this Prospectus Supplement no. 1 (when read together with the Base Prospectus) is in accordance with the facts and contains no omission likely to affect its import.

Paris, 26 August 2020

Banque Palatine
42, rue d'Anjou
75008 Paris
France

duly represented by **Sylvie Ferrier**, *Directrice Finances*