

# 2 CORPORATE GOVERNANCE AND INTERNAL CONTROL

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## 2.1 Corporate governance report

This Corporate governance report was prepared by the Board of directors in accordance with the last paragraph of article L.225-37 of the French Commercial Code.

The information contained herein notably takes into account annex I of the Commission Delegated Regulation (EU) 2019/980 of 14 March 2019, AMF Recommendation No. 2012-02<sup>(1)</sup> amended on 5 January 2022, the AMF's 2021 report<sup>(2)</sup> and the November 2021 Annual Report of the High Committee for Corporate governance (*Haut Comité de Gouvernement d'Entreprise* - HCGE).

(1) AMF recommendation No. 2012-02 - Corporate governance and executive compensation in companies referring to the Afep-Medef Code - Consolidated presentation of the recommendations contained in the Annual Reports of the AMF.

(2) 2021 AMF report on Corporate governance and executive compensation of listed companies (December 2021).

## 2.1.1 PRESENTATION OF DIRECTORS AND CORPORATE OFFICERS

### MEMBERSHIP OF THE BOARD OF DIRECTORS AT 31 DECEMBER 2021

Jean LEMIERRE Principal function: Chairman of the Board of directors of BNP Paribas			
<p>Date of birth: 6 June 1950 Nationality: French Term start and end dates: 19 May 2020 – 2023 AGM Date first appointed to the Board of directors: 1 December 2014 ratified by the Annual General Meeting of 13 May 2015</p> <p>Number of BNP Paribas shares held<sup>(1)</sup>: 37,152<sup>(2)</sup> Business address: 3, rue d'Antin 75002 PARIS FRANCE</p>		<p><b>Offices<sup>(1)</sup> held in listed or unlisted companies of the BNP Paribas Group, in France or abroad</b> BNP Paribas<sup>(*)</sup>, Chairman of the Board of directors TEB Holding AS, director</p> <p><b>Other offices<sup>(1)</sup> held in listed or unlisted companies outside the BNP Paribas Group, in France or abroad</b> TotalEnergies<sup>(*)</sup>, director</p> <p><b>Participation<sup>(1)</sup> in specialised committees of French or foreign companies</b> TotalEnergies, member of the Corporate governance and Ethics Committee and member of the Strategy &amp; CSR Committee</p> <p><b>Others<sup>(1)</sup></b> Centre d'Études Prospectives et d'Informations Internationales (CEPII), Chairman Paris Europlace, Vice-Chairman Association française des entreprises privées, member Institute of International Finance (IIF), member Orange International Advisory Board, member International Advisory Council of China Development Bank (CDB), member International Advisory Council of China Investment Corporation (CIC), member International Advisory Panel (IAP) of the Monetary Authority of Singapore (MAS), member</p>	
<p><b>Education</b> Graduate of the Institut d'Études Politiques de Paris Graduate of the École Nationale d'Administration Law Degree</p>			
Offices held at 31 December in previous financial years (the companies mentioned are the parent companies of the groups in which the functions were carried out)			
<p><b>2020:</b> <b>Chairman of the Board of directors:</b> BNP Paribas <b>Director:</b> TEB Holding AS, Total SA <b>Chairman:</b> Centre d'Études Prospectives et d'Informations Internationales (CEPII) <b>Vice-Chairman:</b> Paris Europlace <b>Member:</b> Association française des entreprises privées, Institute of International Finance (IIF), Orange International Advisory Board, International Advisory Council of China Development Bank (CDB), International Advisory Council of China Investment Corporation (CIC), International Advisory Panel (IAP) of the Monetary Authority of Singapore (MAS)</p>	<p><b>2019:</b> <b>Chairman of the Board of directors:</b> BNP Paribas <b>Director:</b> TEB Holding AS, Total SA <b>Chairman:</b> Centre d'Études Prospectives et d'Informations Internationales (CEPII) <b>Vice-Chairman:</b> Paris Europlace <b>Member:</b> Association française des entreprises privées, Institute of International Finance (IIF), Orange International Advisory Board, International Advisory Council of China Development Bank (CDB), International Advisory Council of China Investment Corporation (CIC), International Advisory Panel (IAP) of the Monetary Authority of Singapore (MAS)</p>	<p><b>2018:</b> <b>Chairman of the Board of directors:</b> BNP Paribas <b>Director:</b> TEB Holding AS, Total SA <b>Chairman:</b> Centre d'Études Prospectives et d'Informations Internationales (CEPII) <b>Vice-Chairman:</b> Paris Europlace <b>Member:</b> Association française des entreprises privées, Institute of International Finance (IIF), Orange International Advisory Board, International Advisory Council of China Development Bank (CDB), International Advisory Council of China Investment Corporation (CIC), International Advisory Panel (IAP) of the Monetary Authority of Singapore (MAS)</p>	<p><b>2017:</b> <b>Chairman of the Board of directors:</b> BNP Paribas <b>Director:</b> TEB Holding AS, Total SA <b>Chairman:</b> Centre d'Études Prospectives et d'Informations Internationales (CEPII) <b>Member:</b> Institute of International Finance (IIF), Orange International Advisory Board, International Advisory Council of China Development Bank (CDB), International Advisory Council of China Investment Corporation (CIC), International Advisory Panel (IAP) of the Monetary Authority of Singapore (MAS)</p>

(1) At 31 December 2021.

(2) Includes 1,326 BNP Paribas shares held as units in the shareholders' fund under the Company Savings Plan.

(\*) Listed company.

**Jean-Laurent BONNAFFÉ****Principal function: Director and Chief Executive Officer of BNP Paribas**

Date of birth: 14 July 1961

Nationality: French

Term start and end dates: 23 May 2019 – 2022 AGM

Date first elected to the Board of directors: 12 May 2010

Number of BNP Paribas shares held<sup>(1)</sup>: 107,824<sup>(2)</sup>Business address: 3, rue d'Antin  
75002 PARIS  
FRANCE**Education**

Graduate of the École Polytechnique

Graduate of the École des Mines

**Offices<sup>(3)</sup> held in listed or unlisted companies of the BNP Paribas Group, in France or abroad**BNP Paribas<sup>(\*)</sup>, Director and Chief Executive Officer**Other offices<sup>(3)</sup> held in listed or unlisted companies outside the BNP Paribas Group, in France or abroad**

Pierre Fabre SA, director

**Participation<sup>(3)</sup> in specialised committees of French or foreign companies**

Pierre Fabre SA, member of the Strategic Committee

**Others<sup>(4)</sup>**

Association pour le Rayonnement de l'Opéra de Paris, Chairman

Entreprise pour l'Environnement, Chairman

Fédération Bancaire Française (French Banking Federation),

Vice-Chairman of the Executive Committee

La France s'engage, director

Bank Policy Institute, director

**Offices held at 31 December in previous financial years***(the companies mentioned are the parent companies of the groups in which the functions were carried out)***2020:****Director and Chief Executive Officer:** BNP Paribas**Chairman:** Association pour le

Rayonnement de l'Opéra de Paris,

Entreprise pour l'Environnement

**Director:**

La France s'engage, Pierre

Fabre SA

**Vice-Chairman of the Executive****Committee:** Fédération Bancaire

Française

**2019:****Director and Chief Executive Officer:** BNP Paribas**Chairman:** Association pour le

Rayonnement de l'Opéra

de Paris, Entreprise pour

l'Environnement

**Director:**

Carrefour, La France s'engage,

Pierre Fabre SA

**Member of the Executive****Committee:** Fédération

Bancaire Française

**2018:****Director and Chief Executive Officer:** BNP Paribas**Chairman:** Association pour le

Rayonnement de l'Opéra de Paris

**Vice-Chairman:** Entreprise pour

l'Environnement

**Director:** Carrefour**Member of the Executive****Committee:** Fédération Bancaire

Française

**2017:****Director and Chief Executive Officer:** BNP Paribas**Chairman:** Fédération Bancaire

Française, Association pour le

Rayonnement de l'Opéra de

Paris

**Vice-Chairman:** Entreprise

pour l'Environnement

**Director:** Carrefour

(1) At 31 December 2021.

(2) Includes 26,449 BNP Paribas shares held as units in the shareholders' fund under the Company Savings Plan.

(\*) Listed company.

**Jacques ASCHENBROICH****Principal function: Chairman and Chief Executive Officer of Valeo**

Date of birth: 3 June 1954

Nationality: French

Term start and end dates: 19 May 2020 – 2023 AGM

Date first elected to the Board of directors: 23 May 2017

Number of BNP Paribas shares held<sup>(1)</sup>: 1,000Business address: 100, rue de Courcelles  
75017 PARIS  
FRANCE**Education**

Graduate of the École des Mines

Corps des Mines

**Offices<sup>(1)</sup> held in listed or unlisted companies of the BNP Paribas Group, in France or abroad**BNP Paribas<sup>(\*)</sup>, director**Offices<sup>(1)</sup> held under the principal function**Valeo<sup>(\*)</sup>, Chairman and Chief Executive Officer**Other offices<sup>(1)</sup> held in listed or unlisted companies outside the BNPP Group, in France or abroad**TotalEnergies<sup>(\*)</sup>, director**Participation<sup>(1)</sup> in specialised committees of French or foreign companies**

BNP Paribas, member of the Financial Statements Committee

**Other**

École Nationale Supérieure Mines ParisTech, Chairman

Club d'affaires Franco-Japonais, Co-Chairman

Association française des entreprises privées, member

**Offices held at 31 December in previous financial years***(the companies mentioned are the parent companies of the groups in which the functions were carried out)***2020:****Chairman and Chief Executive Officer:** Valeo**Director:** BNP Paribas, Veolia Environnement**Chairman:** École Nationale Supérieure Mines ParisTech**Co-Chairman:** Club d'affaires Franco-Japonais**Member:** Association française des entreprises privées**2019:****Chairman and Chief Executive Officer:** Valeo**Director:** BNP Paribas, Veolia Environnement**Chairman:** École Nationale Supérieure Mines ParisTech**Co-Chairman:** Club d'affaires Franco-Japonais**Member:** Association française des entreprises privées**2018:****Chairman and Chief Executive Officer:** Valeo**Director:** BNP Paribas, Veolia Environnement**Chairman:** École Nationale Supérieure Mines ParisTech**Co-Chairman:** Club d'affaires Franco-Japonais**2017:****Chairman and Chief Executive Officer:** Valeo**Director:** BNP Paribas, Veolia Environnement**Chairman:** École Nationale Supérieure Mines ParisTech**Co-Chairman:** Club d'affaires Franco-Japonais

(1) At 31 December 2021.

(\*) Listed company.

**Juliette BRISAC****Principal function: Chief Operating Officer of BNP Paribas Company Engagement**

Date of birth: 22 May 1964

Nationality: French

Term start and end dates: 18 May 2021 – 2024 AGM

Date first elected to the Board of directors: 18 May 2021

Number of BNP Paribas shares held<sup>(1)</sup>: 9,614<sup>(2)</sup>Business address: 16, rue de Hanovre  
75002 PARIS  
FRANCE**Education**

Master's degree in Economics and DESS in Banking &amp; Finance from the University of Paris I Panthéon Sorbonne.

Graduate of the Institut français des Administrateurs

Certified auditor of the Cycle des hautes études pour le développement économique (CHEDE)

**Offices<sup>(1)</sup> held in listed or unlisted companies of the BNP Paribas Group, in France or abroad**BNP Paribas<sup>(\*)</sup>, director representing employee shareholders

Supervisory Board of the FCPE Actionnariat Monde of BNP Paribas, Chairwoman

**Offices held at 31 December in previous financial years***(the companies mentioned are the parent companies of the groups in which the functions were carried out)*

N/A

(1) At 31 December 2021.

(2) Includes 3,672 BNP Paribas shares held as units in the shareholders' fund under the Company Savings Plan.

(\*) Listed company.

**Pierre-André de CHALENDAR****Principal function: Chairman of Compagnie de Saint-Gobain**

Date of birth: 12 April 1958

Nationality: French

Term start and end dates: 18 May 2021 – 2024 AGM

Date first elected to the Board of directors: 23 May 2012

Number of BNP Paribas shares held<sup>(1)</sup>: 7,000Business address: Les Miroirs  
92096 LA DÉFENSE CEDEX  
FRANCE**Education**Graduate of École Supérieure des Sciences Économiques  
et Commerciales (ESSEC)

Graduate of the École Nationale d'Administration

**Offices<sup>(1)</sup> held in listed or unlisted companies of the BNP Paribas Group, in France or abroad**BNP Paribas<sup>(\*)</sup>, director**Offices<sup>(1)</sup> held under the principal function**Compagnie de Saint-Gobain<sup>(\*)</sup>, Chairman of the Board of directors

GIE SGPM Recherches, director

Saint-Gobain Corporation, director

Veolia Environnement, director

**Participation<sup>(1)</sup> in specialised committees of French or foreign companies**

BNP Paribas: Chairman of the Remuneration Committee and member of

the Corporate Governance, Ethics, Nominations and CSR Committee

Veolia Environnement, member of the Nominations Committee

**Others:**

Conseil de surveillance de l'Essec, Chairman

La Fabrique de l'Industrie, Co-Chairman

Association française des entreprises privées, member

**Offices held at 31 December in previous financial years***(the companies mentioned are the parent companies of the groups in which the functions were carried out)***2020:****Chairman and Chief Executive****Officer:** Compagnie  
de Saint-Gobain**Chairman:** Conseil de  
surveillance de l'Essec**Co-Chairman:** La Fabrique  
de l'Industrie**Director:** BNP Paribas**Member:** Association française  
des entreprises privées**2019:****Chairman and Chief Executive****Officer:** Compagnie  
de Saint-Gobain**Chairman:** Conseil de  
surveillance de l'Essec**Co-Chairman:** La Fabrique  
de l'Industrie**Director:** BNP Paribas**Member:** Association française  
des entreprises privées**2018:****Chairman and Chief Executive****Officer:** Compagnie  
de Saint-Gobain**Director:** BNP Paribas**2017:****Chairman and Chief Executive****Officer:** Compagnie  
de Saint-Gobain**Director:** BNP Paribas

(1) At 31 December 2021.

(\*) Listed company.

**Monique COHEN****Principal function: Senior Advisor of Apax Partners**

Date of birth: 28 January 1956

Nationality: French

Term start and end dates: 19 May 2020 – 2023 AGM

Date first elected to the Board of directors: 12 February 2014, ratified by the Annual General Meeting of 14 May 2014

Number of BNP Paribas shares held<sup>(1)</sup>: 9,620Business address: 1, rue Paul-Cézanne  
75008 PARIS  
FRANCE**Education**

Graduate of the École Polytechnique

Master's degree in Mathematics

Master's degree in Business Law

**Offices<sup>(1)</sup> held in listed or unlisted companies of the BNP Paribas Group, in France or abroad**BNP Paribas<sup>(\*)</sup>, director**Offices<sup>(1)</sup> held under the principal function**

Proxima Investments SA, Chairwoman of the Board of directors

Fides Holdings, Chairwoman of the Board of directors

Fides Acquisitions, member of the Board of directors

**Other offices<sup>(1)</sup> held in listed or unlisted companies outside the BNP Paribas Group, in France or abroad**Hermès<sup>(\*)</sup>, Vice-Chairwoman of the Supervisory BoardSafran<sup>(\*)</sup>, lead independent director**Participation<sup>(1)</sup> in specialised committees of French or foreign companies**

BNP Paribas, Chairwoman of the Corporate Governance, Ethics,

Nominations and CSR Committee and member of the Internal Control, Risk Management and Compliance Committee

Hermès, Chairwoman of the Audit and Risks Committee

Safran, Chairwoman of the Nominations and Remuneration Committee

**Offices held at 31 December in previous financial years***(the companies mentioned are the parent companies of the groups in which the functions were carried out)***2020:****Chairwoman of the Board of directors:**

Proxima Investments SA, Fides Holdings

**Vice-Chairwoman of the Supervisory Board:**

Hermès

**Director:** BNP Paribas, Safran**Member:** Fides Acquisitions**2019:****Chairwoman of the Board of directors:**

Proxima Investments SA, Fides Holdings

**Vice-Chairwoman of the Supervisory Board:**

Hermès

**Director:** BNP Paribas, Safran,

Apax Partners SAS

**Member:** Fides Acquisitions**2018:****Chairwoman of the Board of directors:**

Proxima Investments SA, Fides Holdings

**Vice-Chairwoman of the Supervisory Board:**

Hermès

**Director:** BNP Paribas, Safran,

Apax Partners SAS

**Member:** Fides Acquisitions**2017:****Chairwoman of the Board of directors:**

Proxima Investments SA, Fides Holdings, Fides Acquisitions

**Vice-Chairwoman of the Supervisory Board:**

Hermès

**Director:** BNP Paribas, Safran,

Apax Partners SAS

(1) At 31 December 2021.

(\*) Listed company.

**Wouter DE PLOEY****Principal function: Chief Executive Officer of ZNA (hospital group in Antwerp, Belgium)**

Date of birth: 5 April 1965

Nationality: Belgian

Term start and end dates: 23 May 2019 – 2022 AGM

Date first elected to the Board of directors: 26 May 2016

Number of BNP Paribas shares held<sup>(1)</sup>: 1,000Business address: Leopoldstraat 26  
B-2000 ANTWERPEN/ANVERS  
BELGIUM**Education**

Master's degree and Doctorate in Economics from the University of Michigan, Ann Arbor (United States of America)

Master's degree in Economics (Magna cum Laude) and Philosophy, University of Leuven (Belgium)

**Offices<sup>(1)</sup> held in listed or unlisted companies of the BNP Paribas Group, in France or abroad**BNP Paribas<sup>(\*)</sup>, director**Offices<sup>(1)</sup> held in listed or unlisted companies outside the BNP Paribas Group, in France or abroad**

Vanbreda Risk &amp; Benefits NV, director

Unibreda NV, director

**Participation<sup>(1)</sup> in specialised committees of French or foreign companies**

BNP Paribas, member of the Financial Statements Committee

**Others<sup>(1)</sup>**

Gasthuiszusters Antwerpen, director

Regroupement GZA-ZNA, director

BlueHealth Innovation Center, director

Chamber of Commerce bureau, VOKA Antwerp – Waasland, Vice-Chairman

**Offices held at 31 December in previous financial years***(the companies mentioned are the parent companies of the groups in which the functions were carried out)***2020:****Director:** BNP Paribas, Vanbreda Risk & Benefits NV, Unibreda NV, BlueHealth Innovation Center, Gasthuiszusters Antwerpen, Regroupement GZA-ZNA  
**Vice-Chairman:** Chamber of Commerce bureau, VOKA Antwerp – Waasland**2019:****Director:** BNP Paribas, Vanbreda Risk & Benefits NV, Unibreda NV, BlueHealth Innovation Center, Gasthuiszusters Antwerpen, Regroupement GZA-ZNA  
**Vice-Chairman:** Chamber of Commerce bureau, VOKA Antwerp – Waasland**2018:****Director:** BNP Paribas, Vanbreda Risk & Benefits NV, Unibreda NV, BlueHealth Innovation Center, Gasthuiszusters Antwerpen, Regroupement GZA-ZNA  
**Vice-Chairman:** Chamber of Commerce bureau, VOKA Antwerp – Waasland**2017:****Director:** BNP Paribas, Vanbreda Risk & Benefits NV, Unibreda NV  
**Vice-Chairman:** Chamber of Commerce bureau, VOKA Antwerp – Waasland  
**Member:** Belgian – American Educational Foundation  
**Adviser to the Board of directors:** Lannoo publishing company

(1) At 31 December 2021.

(\*) Listed company.

**Hugues EPAILLARD****Principal function: Real estate business manager**

Date of birth: 22 June 1966

Nationality: French

Term start and end dates: elected by BNP Paribas executive employees for three years from 16 February 2021 – 15 February 2024

Date first elected to the Board of directors: 16 February 2018

Number of BNP Paribas shares held<sup>(1)</sup>: 407<sup>(2)</sup>Business address: 83, La Canebière,  
13001 MARSEILLE  
FRANCE**Offices<sup>(1)</sup> held in listed or unlisted companies of the BNP Paribas Group, in France or abroad**BNP Paribas<sup>(\*)</sup>, director**Participation<sup>(1)</sup> in specialised committees of French or foreign companies**

BNP Paribas, member of the Internal Control, Risk and Compliance Committee and of the Remuneration Committee

**Others<sup>(1)</sup>**Judge at the Marseille Employment Tribunal, Management section  
Commission Paritaire de la Banque (AFB – Recourse Commission), member**Offices held at 31 December in previous financial years***(the companies mentioned are the parent companies of the groups in which the functions were carried out)***2020:****Director:** BNP Paribas**2019:****Director:** BNP Paribas**2018:****Director:** BNP Paribas

(1) At 31 December 2021.

(2) Includes 378 BNP Paribas shares held as units in the shareholders' fund under the Company Savings Plan.

(\*) Listed company.



**Rajna GIBSON-BRANDON****Principal function: Professor in Finance at the University of Geneva**

Date of birth: 20 December 1962

Nationality: Swiss

Term start and end dates: 18 May 2021 – 2024 AGM

Date first elected to the Board of directors: 28 November 2018

Number of BNP Paribas shares held<sup>(1)</sup>: 1,000Business address: 40, Boulevard Pont d'Arve  
CH-1211 GENEVA 4  
SWITZERLAND**Education**Doctorate in Social & Economic Sciences (Specialisation in Finance),  
University of Geneva**Offices<sup>(1)</sup> held in listed or unlisted companies of the BNP Paribas Group, in France or abroad**BNP Paribas<sup>(\*)</sup>, director**Participation<sup>(1)</sup> in specialised committees of French or foreign companies**  
BNP Paribas, member of the Internal Control, Risk and Compliance Committee**Other**

Geneva Finance Research Institute, Deputy director

Geneva Institute for Wealth Management Foundation, director and Chairwoman

Strategic Committee and Sustainable Finance Supervisory Committee in Geneva, member

**Offices held at 31 December in previous financial years***(the companies mentioned are the parent companies of the groups in which the functions were carried out)***2020:****Director:** BNP Paribas**Chairwoman:** Bülach Investment Professionals' Scientific and Training Board**Director:** Geneva Institute for Wealth Management Foundation**Deputy Director:** Geneva Finance Research Institute**Member:** Strategic Committee and Sustainable Finance Supervisory Committee in Geneva**2019:****Director:** BNP Paribas, Applic8 SA**Chairwoman:** Bülach Investment Professionals' Scientific and Training Board**Director:** Geneva Institute for Wealth Management Foundation**Deputy Director:** Geneva Finance Research Institute**Member:** Strategic Committee and Sustainable Finance Supervisory Committee in Geneva**2018:****Director:** BNP Paribas, Applic8 SA**Chairwoman:** Bülach Investment Professionals' Scientific and Training Board**Director:** Geneva Institute for Wealth Management Foundation**Deputy Director:** Geneva Finance Research Institute**Member:** Strategic Committee and Sustainable Finance Supervisory Committee in Geneva

(1) At 31 December 2021.

(\*) Listed company.

**Marion GUILLOU**

Principal function: Independent director of companies

Date of birth: 17 September 1954

Nationality: French

Term start and end dates: 23 May 2019 – 2022 AGM

Date first elected to the Board of directors: 15 May 2013

Number of BNP Paribas shares held<sup>(1)</sup>: 1,000Business address: 42, rue Scheffer  
75116 PARIS  
FRANCE**Education**

Graduate of the École Polytechnique

Graduate of the École Nationale du Génie Rural, des Eaux et des Forêts

Doctor of Food Sciences

Graduate of the Institut français des Administrateurs

**Offices<sup>(1)</sup> held in listed or unlisted companies of the BNP Paribas Group, in France or abroad**BNP Paribas<sup>(\*)</sup>, director**Other offices<sup>(1)</sup> held in listed or unlisted companies outside the BNP Paribas Group, in France or abroad**Veolia Environnement<sup>(\*)</sup>, director**Participation<sup>(1)</sup> in specialised committees of French or foreign companies**

BNP Paribas, member of the Corporate governance, Ethics, Nominations and CSR Committee and of the Remuneration Committee

Veolia Environnement, member of the Research, Innovation and Sustainable Development Committee and the Remuneration Committee

**Others<sup>(1)</sup>**

Care – France (NGO), Vice-Chairwoman

Bioversity-CIAT Alliance, director

Bioversity, director

CIAT, director

IFRI, director

Fonds de préservation de la biodiversité des plantes cultivées et de leurs apparentées, Chairwoman

Haut conseil pour le Climat, member

**Offices held at 31 December in previous financial years***(the companies mentioned are the parent companies of the groups in which the functions were carried out)***2020:****Director:** BNP Paribas, Veolia Environnement**Member:** Board of directors of Care – France (NGO), Board of directors of Bioversity, Board of directors of Bioversity-CIAT Alliance, Board of directors of CIAT, Board of directors of IFRI**2019:****Director:** BNP Paribas, Imerys, Veolia Environnement**Member:** Board of directors of Universcience, Board of directors of Care – France (NGO), Board of directors of Bioversity International, Board of directors of Bioversity-CIAT Alliance, Board of directors of CIAT, Board of directors of IFRI**2018:****Chairwoman of the Board of directors:** IAVFF-Agreenium (public institution)**Director:** BNP Paribas, Imerys, Veolia Environnement**Member:** Board of directors of Universcience, Board of directors of Care – France (NGO), Board of directors of Bioversity International, Board of directors of CIAT, Board of directors of IFRI**2017:****Chairwoman of the Board of directors:** IAVFF-Agreenium (public institution)**Director:** BNP Paribas, Imerys, Veolia Environnement**Member:** Board of directors of Universcience, Board of directors of Care – France (NGO), Board of directors of IHEST (Institut des Hautes Études en Sciences et Technologies), Academic Council of the Academy of Technologies, Board of directors of Bioversity International

(1) At 31 December 2021.

(\*) Listed company.

**Denis KESSLER (until 18 May 2021)****Principal function: Chairman and Chief Executive Officer of SCOR SE**

Date of birth: 25 March 1952

Nationality: French

Term start and end dates: 24 May 2018 – 2021 AGM

Date first elected to the Board of directors: 23 May 2000

Number of BNP Paribas shares held<sup>(1)</sup>: 2,684Business address: 5, avenue Kléber  
75016 PARIS  
FRANCE**Education**

Degree in Economic Science

Degree in Social Science

Doctor of Economic Science

Graduate of the French École des Hautes Études Commerciales

Institut des actuaires, qualified member

**Offices<sup>(1)</sup> held in listed or unlisted companies of the BNP Paribas Group, in France or abroad**BNP Paribas<sup>(\*)</sup>, director**Offices<sup>(1)</sup> held under the principal function**SCOR SE<sup>(\*)</sup>, Chairman and Chief Executive Officer**Other offices<sup>(1)</sup> held in listed or unlisted companies outside the BNP Paribas Group, in France or abroad**Invesco Ltd<sup>(\*)</sup>, director**Participation<sup>(1)</sup> in specialised committees of French or foreign companies**

BNP Paribas, Chairman of the Financial Statements Committee

Invesco Ltd, member of the Remuneration Committee and the

Nominations and Corporate Governance Committee

SCOR SE, Chairman of the Strategic Committee and member

of the Crisis Management Committee

**Others<sup>(1)</sup>**

Association de Genève, director

Global Reinsurance Forum – Reinsurance Advisory Board, member

Académie des sciences morales et politiques, member

Institut des actuaires, qualified member

**Offices held at 31 December in previous financial years***(the companies mentioned are the parent companies of the groups in which the functions were carried out)***2020:****Chairman and Chief Executive Officer:** SCOR SE**Director:** BNP Paribas, Invesco Ltd**Member:** Board of directors of Association de Genève, Global Reinsurance Forum – Reinsurance Advisory Board, Académie des sciences morales et politiques, Institut des actuaires**2019:****Chairman and Chief Executive Officer:** SCOR SE**Director:** BNP Paribas, Invesco Ltd**Member:** Board of directors of Association de Genève, Global Reinsurance Forum – Reinsurance Advisory Board, Académie des sciences morales et politiques, Institut des actuaires**2018:****Chairman and Chief Executive Officer:** SCOR SE**Director:** BNP Paribas, Invesco Ltd**Member:** Board of directors of Association de Genève, Global Reinsurance Forum – Reinsurance Advisory Board, Académie des sciences morales et politiques, Institut des actuaires**2017:****Chairman and Chief Executive Officer:** SCOR SE**Director:** BNP Paribas, Invesco Ltd**Member:** Board of directors of Association de Genève, Global Reinsurance Forum – Reinsurance Advisory Board, Conference Board (Global counsellor), Académie des sciences morales et politiques, Institut des actuaires

(1) At 18 May 2021.

(\*) Listed company.

**Christian NOYER****Principal function: Honorary Governor of Banque de France**

Date of birth: 6 October 1950

Nationality: French

Term start and end dates: 18 May 2021 – 2024 AGM

Date first elected to the Board of directors: 18 May 2021

(Mr Christian Noyer acted as non-voting director of BNP Paribas from 1 May 2019 to 17 May 2021)

Number of BNP Paribas shares held<sup>(1)</sup>: 2,000Business address: 9, rue de Valois  
75001 PARIS  
FRANCE**Education**

Graduate of Ecole Nationale d'Administration

Graduate of the Institut des sciences politiques

Masters in Law from the University of Paris

Law degree from the University of Rennes

**Offices<sup>(1)</sup> held in listed or unlisted companies of the BNP Paribas Group, in France or abroad**BNP Paribas<sup>(\*)</sup>, director**Other offices<sup>(1)</sup> held in listed or unlisted companies outside the BNP Paribas Group, in France or abroad**Power Corporation Canada<sup>(\*)</sup>, director

Setl Ltd, director

NSIA Banque Group:

NSIA Banque Côte d'Ivoire, director

NSIA Banque Bénin, director

**Participation<sup>(1)</sup> in specialised committees of French or foreign companies**

BNP Paribas, Chairman of the Financial Statements Committee

Power Corporation Canada, member of the Governance and Nominating Committee and the Related Party and Conduct Review Committee

**Others<sup>(1)</sup>**

Group of Thirty (G30), member

Institut pour l'Éducation Financière du Public (IEFP), Chairman

Institut Français des Relations Internationales, member

**Offices held at 31 December in previous financial years***(the companies mentioned are the parent companies of the groups in which the functions were carried out)***2020:**Director: Power Corporation  
Canada,  
NSIA Banque Group,  
Lloyd's of London, Setl Ltd**2019:**Director: Power Corporation  
Canada,  
NSIA Banque Group,  
Lloyd's of London, Setl Ltd<sup>(1)</sup> At 31 December 2021.<sup>(\*)</sup> Listed company.

**Daniela SCHWARZER****Principal function: Director of the Open Society Foundation for Europe and Eurasia**

Date of birth: 19 July 1973

Nationality: German

Term start and end dates: 19 May 2020 – 2023 AGM

Date first elected to the Board of directors: 14 May 2014

Number of BNP Paribas shares held<sup>(1)</sup>: 1,000Business address: Jägerstraße 54  
10117 BERLIN  
GERMANY**Education**

Doctorate in Economics from the Free University of Berlin

Master's degree in Political Science and in Linguistics, University of Tübingen

**Offices<sup>(1)</sup> held in listed or unlisted companies of the BNP Paribas Group, in France or abroad**BNP Paribas<sup>(\*)</sup>, director**Participation<sup>(1)</sup> in specialised committees of French or foreign companies**  
BNP Paribas, member of the Governance, Ethics, Nominations and CSR Committee**Other**

Jacques-Delors Institute, director

Foundation United Europe, director

Deutsche Gesellschaft für Auswärtige Politik, director

Fondation Jean Monnet, director

Special advisor to the Vice-President of the European Commission

**Offices held at 31 December in previous financial years***(the companies mentioned are the parent companies of the groups in which the functions were carried out)***2020:****Director:** BNP Paribas**Member:** Board of directors of the Jacques-Delors Institute, Board of directors of the Foundation United Europe, Open Society Foundation, Advisory Committee, Federal Security Academy, Advisory Committee**Research Professor**

at Johns-Hopkins University, Department of European and Eurasian Studies

**Special advisor** to the Vice-President of the European Commission**2019:****Director:** BNP Paribas**Member:** Board of directors of the Jacques-Delors Institute, Board of directors of the Foundation United Europe, Open Society Foundation, Advisory Committee, Federal Security Academy, Advisory Committee**Research Professor** at Johns-Hopkins University, Department of European and Eurasian Studies**2018:****Director:** BNP Paribas**Member:** Board of directors of the Jacques-Delors Institute, Board of directors of the Foundation United Europe, Open Society Foundation, Advisory Committee**Research Professor**

at Johns-Hopkins University, Department of European and Eurasian Studies

**2017:****Director:** BNP Paribas**Member:** Board of directors of the Jacques-Delors Institute, Board of directors of the Foundation United Europe**Research Professor**

at Johns-Hopkins University, Department of European and Eurasian Studies

(1) At 31 December 2021.

(\*) Listed company.

**Michel TILMANT**

Principal function: director of companies

Date of birth: 21 July 1952

Nationality: Belgian

Term start and end dates: 23 May 2019 – 2022 AGM

Date first elected to the Board of directors: 12 May 2010

(Michel Tilmant served as non-voting director (censeur) of BNP Paribas from 4 November 2009 to 11 May 2010)

Number of BNP Paribas shares held<sup>(1)</sup>: 1,000Business address: Rue du Moulin 10  
B-1310 LA HULPE  
BELGIUM**Education**

Graduate of the University of Louvain

**Offices<sup>(1)</sup> held in listed or unlisted companies of the BNP Paribas Group, in France or abroad**BNP Paribas<sup>(\*)</sup>, director**Offices<sup>(1)</sup> held under the principal function**

Strafin sprl, manager

**Other offices<sup>(1)</sup> held in listed or unlisted companies outside the BNP Paribas Group, in France or abroad**

Groupe Lhoist SA, director

Foyer Group:

CapitalatWork Foyer Group SA, Chairman

Foyer SA, director

Foyer Finance SA, director

**Participation<sup>(1)</sup> in specialised committees of French or foreign companies**

BNP Paribas, Chairman of the Internal Control, Risk and Compliance Committee

Groupe Lhoist SA, member of the Audit Committee

**Others<sup>(1)</sup>**

Royal Automobile Club of Belgium, director

Zoute Automobile Club, director

**Offices held at 31 December in previous financial years***(the companies mentioned are the parent companies of the groups in which the functions were carried out)***2020:****Chairman:** CapitalatWork Foyer Group SA**Director:** BNP Paribas, Foyer Group, Groupe Lhoist SA, Sofina SA**Manager:** Strafin sprl**Member:** Board of directors of Royal Automobile Club of Belgium, Board of directors of the Zoute Automobile Club, Board of directors of Université Catholique de Louvain**2019:****Chairman:** CapitalatWork Foyer Group SA**Director:** BNP Paribas, Foyer Group, Groupe Lhoist SA, Sofina SA**Manager:** Strafin sprl**Member:** Board of directors of Royal Automobile Club of Belgium, Board of directors of the Zoute Automobile Club, Board of directors of Université Catholique de Louvain  
**Senior advisor:** Cinven Ltd**2018:****Chairman:** CapitalatWork Foyer Group SA**Director:** BNP Paribas, Foyer Group, Groupe Lhoist SA, Sofina SA**Manager:** Strafin sprl**Member:** Board of directors of Royal Automobile Club of Belgium, Board of directors of Université Catholique de Louvain  
**Senior advisor:** Cinven Ltd**2017:****Chairman:** CapitalatWork Foyer Group SA**Director:** BNP Paribas, Foyer Group, Groupe Lhoist SA, Sofina SA**Manager:** Strafin sprl**Member:** Board of directors of Royal Automobile Club of Belgium, Board of directors of Université Catholique de Louvain  
**Senior advisor:** Cinven Ltd

(1) At 31 December 2021.

(\*) Listed company.

**Sandrine VERRIER****Principal function: Production and sales support assistant**

Date of birth: 9 April 1979

Nationality: French

Term start and end dates: elected by BNP Paribas technician employees for three years from 16 February 2021 – 15 February 2024  
Date first elected to the Board of directors: 16 February 2015Number of BNP Paribas shares held<sup>(1)</sup>: 20Business address: 150 rue du Faubourg Poissonnière  
75450 PARIS CEDEX 09  
FRANCE**Offices<sup>(1)</sup> held in listed or unlisted companies of the BNP Paribas Group, in France or abroad**BNP Paribas<sup>(\*)</sup>, director**Participation<sup>(1)</sup> in specialised committees of French or foreign companies**

BNP Paribas, member of the Financial Statements Committee

**Others<sup>(1)</sup>**

Conseil économique, social et environnemental Régional d'Ile de France, Member

**Offices held at 31 December in previous financial years***(the companies mentioned are the parent companies of the groups in which the functions were carried out)*

2020:	2019:	2018:	2017:
<b>Director:</b> BNP Paribas	<b>Director:</b> BNP Paribas	<b>Director:</b> BNP Paribas	<b>Director:</b> BNP Paribas

(1) At 31 December 2021.

(\*) Listed company.

**Fields WICKER-MIURIN****Principal function: Director of companies**

Date of birth: 30 July 1958

Nationalities: British and American

Term start and end dates: 19 May 2020 – 2023 AGM

Date first elected to the Board of directors: 11 May 2011

Number of BNP Paribas shares held<sup>(1)</sup>: 1,000Business address: 11-13 Worples Way  
RICHMOND-UPON-THAMES  
SURREY TW10 6DG  
UNITED KINGDOM**Education**Graduate of the Institut d'Études Politiques de Paris  
Master's degree from the School of Advanced International Studies,  
Johns Hopkins University  
BA, University of Virginia**Offices<sup>(1)</sup> held in listed or unlisted companies of the BNP Paribas Group, in France or abroad**BNP Paribas<sup>(\*)</sup>, director**Offices<sup>(1)</sup> held in listed or unlisted companies outside the BNP Paribas Group, in France or abroad**Prudential Plc<sup>(\*)</sup>, directorSCOR SE<sup>(\*)</sup>, director**Participation<sup>(1)</sup> in specialised committees of French or foreign companies**

BNP Paribas, member of the Financial Statements, Remuneration, Internal Control, Risk and Compliance Committee

Prudential Plc, member of the Remuneration Committee

SCOR SE, member of the Strategic Committee, member of the Risk Committee, member of the Nominations Committee, member of the Crisis Management Committee, member of the Sustainable Development Committee and Chairwoman of the Remuneration Committee

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SCOR SE, member of the Strategic Committee, member of the Risk Committee, member of the Nominations Committee, member of the Crisis Management Committee, member of the Sustainable Development Committee and Chairwoman of the Remuneration Committee

(1) At 31 December 2021.

(\*) Listed company.

## SCHEDULE OF THE TERMS OF THE DIRECTORSHIPS OF COMPANY DIRECTORS

On the Board's proposal, the Shareholders' Annual General Meeting of 23 May 2000 decided to limit the term of office of new directors to three years.

Directors	2022 (AGM called to approve the 2021 financial statements)	2023 (AGM called to approve the 2022 financial statements)	2024 (AGM called to approve the 2023 financial statements)
J. Lemierre		✓	
J.L. Bonnafé	✓		
J. Aschenbroich		✓	
J. Brisac			✓ <sup>(i)</sup>
P.A. de Chalendar			✓
M. Cohen		✓	
W. De Ploey	✓		
H. Epaillard			✓ <sup>(ii)</sup>
R. Gibson-Brandon			✓
M. Guillou	✓		
C. Noyer			✓
D. Schwarzer		✓	
M. Tilmant	✓		
S. Verrier			✓ <sup>(iii)</sup>
F. Wicker-Miurin		✓	

(i) Director representing employee shareholders.

(ii) Director elected by executive employees - Start and end date of previous term: 16 February 2018 - 15 February 2021. Re-elected by executive employees in the first round of voting on 20 November 2020 (took office on 16 February 2021).

(iii) Director elected by technician employees - Start and end date of previous term: 16 February 2018 - 15 February 2021. Re-elected by technician employees in the first round of voting on 20 November 2020 (took office on 16 February 2021).



## OTHER DIRECTORS AND CORPORATE OFFICERS

### Yann GERARDIN

Principal function: Chief Operating Officer of BNP Paribas (from 18 May 2021)

Date of birth: 11 November 1961

Nationality: French

Number of BNP Paribas shares held<sup>(1)</sup>: 160,514<sup>(2)</sup>

Business address: 3, rue d'Antin  
75002 PARIS  
FRANCE

#### Offices<sup>(1)</sup> held under the principal function

BNP Paribas<sup>(\*)</sup>, Chief Operating Officer, Head of Corporate & Institutional Banking

#### Others<sup>(1)</sup>

N.A.

#### Education

Degree in Economic Science

Institut d'Etudes Politiques de Paris

HEC Paris

#### **Offices held at 31 December in previous financial years**

(the companies mentioned are the parent companies of the groups in which the functions were carried out)

N.A.

(1) At 31 December 2021.

(2) Includes 26,914 BNP Paribas shares held as units in the shareholders' fund under the Company Savings Plan.

(\*) Listed company.

### Thierry LABORDE

Principal function: Chief Operating Officer of BNP Paribas (from 18 May 2021)

Date of birth: 17 December 1960

Nationality: French

Number of BNP Paribas shares held<sup>(1)</sup>: 15,923<sup>(2)</sup>

Business address: 3, rue d'Antin  
75002 PARIS  
FRANCE

#### Offices<sup>(1)</sup> held under the principal function

BNP Paribas<sup>(\*)</sup>, Chief Operating Officer, Head of Commercial, Personal Banking & Services

BNL SpA, director

Arval Service Lease, director

BNP Paribas Leasing Solutions, director

BNP Paribas Lease Group, director

BNP Paribas Personal Finance, Chairman

#### Others<sup>(1)</sup>

European Payments Initiative, director

#### Education

Master's degree in Economic Science

#### **Offices held at 31 December in previous financial years**

(the companies mentioned are the parent companies of the groups in which the functions were carried out)

N.A.

(1) At 31 December 2021.

(2) Includes 1,888 BNP Paribas shares held as units in the shareholders' fund under the Company Savings Plan.

(\*) Listed company.

**Philippe BORDENAVE****Principal function: Chief Operating Officer of BNP Paribas (until 18 May 2021)**

Date of birth: 2 August 1954

Nationality: French

Number of BNP Paribas shares held<sup>(1)</sup>: 105,474Business address: 3, rue d'Antin  
75002 PARIS  
FRANCE**Offices<sup>(2)</sup> held under the principal function**BNP Paribas <sup>(\*)</sup>, Chief Operating Officer

Verner Investissements, director

Exane BNP Paribas, non-voting director (censeur)

**Others<sup>(2)</sup>**

Fondation Grancher, Vice-Chairman

**Education**

Graduate of the École Polytechnique

Graduate of the École Nationale d'Administration

DEA in Economics

**Offices held at 31 December in previous financial years***(the companies mentioned are the parent companies of the groups in which the functions were carried out)***2020:****Chief Operating Officer:**

BNP Paribas

**Vice-Chairman:** Fondation  
Grancher**Director:** Verner Investissements**Non-voting director:** Exane  
BNP Paribas**2019:****Chief Operating Officer:**

BNP Paribas

**Director:** Verner  
Investissements, Fondation  
Grancher**Non-voting director:** Exane  
BNP Paribas**2018:****Chief Operating Officer:**

BNP Paribas

**Director:** Verner Investissements,  
Fondation Grancher**Non-voting director:** Exane  
BNP Paribas**2017:****Chief Operating Officer:**

BNP Paribas

**Director:** Verner  
Investissements**Non-voting director:** Exane  
BNP Paribas

(1) At 18 May 2021.

(\*) Listed company.

## 2.1.2 BNP PARIBAS CORPORATE GOVERNANCE

The Corporate Governance Code that BNP Paribas referred to on a voluntary basis in this report is the Corporate Governance Code of Listed Companies, published by the French employers' organisations, *Association Française des Entreprises Privées (Afp)* and the *Mouvement des Entreprises de France (Medef)*. BNP Paribas declares that it complies with all of the recommendations of this Code, hereinafter referred to as the Corporate Governance Code or Afep-Medef Code, which can be viewed on the BNP Paribas website (<http://invest.bnpparibas.com/en>), the Afep website (<http://www.afep.com/en>) and the Medef website (<http://www.medef.com/en>).

The detailed rules on the participation of shareholders at the Shareholders' Annual General Meeting are laid out in article 18, Title V "Shareholders' Meetings", of BNP Paribas' Articles of association published in the Universal registration document in the section entitled "Founding documents and Articles of association". Moreover, a summary of these rules and a report on the organisation and running of the Shareholders' Combined General Meeting of 18 May 2021 and Ordinary General Meeting of Shareholders of 24 September 2021 are provided in the section entitled "BNP Paribas and its shareholders" of said document.

In addition to the above, BNP Paribas is governed in accordance with French and European banking regulations, and the guidelines issued by the European Banking Authority (EBA) and is subject to permanent supervision of the European Central Bank (ECB) pursuant to the Single Supervisory Mechanism (SSM).

### 1. PRINCIPLES OF GOVERNANCE

The Internal Rules adopted by the Board of directors define the duties of the Board and of its specialised committees. They are updated periodically to comply with current laws, regulations and market guidelines, and to keep pace with best practice in the area of corporate governance.

The Internal Rules were extensively revised in 2015 to reflect the provisions of Directive 2013/36/EU on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms (hereinafter the "CRD 5"), then amended in October 2016 with, in particular, the development of three procedures applicable to non-executive directors (number of directorships; conflicts of interest; identification, selection and succession of directors). In 2018, the Internal Rules were revised once again and the three existing procedures were replaced by a Suitability policy for Members of the management body and Key function holders, hereinafter "Suitability policy". In addition, the "Implementation procedure for conflicts of interest in relation to loans and other transactions granted to the members of the management body and their related parties", adopted by the Board of directors on 28 September 2021 in order to take into account the new regulations relating in particular to the making available to the supervisor of the documentation relating to the loans entered into between BNP Paribas and the members of its management body or their related parties, details the measures relating to conflicts of interest provided for in the Suitability policy. The proposed amendments comply with the Afep-Medef Code revised in January 2020, with the EBA Guidelines on both internal governance and on the assessment of the suitability of members of the management body and key function holders (the "Fit and Proper Guidelines") published on 26 September 2017, amended on 2 July 2021 and applicable from 31 December 2021 and the Ordinance No. 2017-1162 of 12 July 2017. These documents and the Bank's Articles of association were updated, a part of which was approved by the Annual General Meeting of 19 May 2020, in order to harmonise them with the provisions of the Pacte law of 22 May 2019, and are included in this report.

The Group Code of conduct, approved by the Board of directors, was introduced in 2016. The latter as well as the addendum on anti-corruption were the subject of an update in December 2021 approved by the Board of directors.

#### Code of conduct (article 1.2 of the Internal Rules)

The Code of conduct is the result of BNP Paribas' Board of directors and Executive Management's shared conviction that the success of the Bank depends on the behaviour of each employee. The Code of conduct "sets out the rules to uphold our values and perform the Bank's missions. This Code, which shall be integrated by each

business line and each employee, governs the actions of each employee, and guides the decisions at every level of the organisation. For this purpose, the Board ensures the Executive Management implements this Code into business lines, countries and regions".

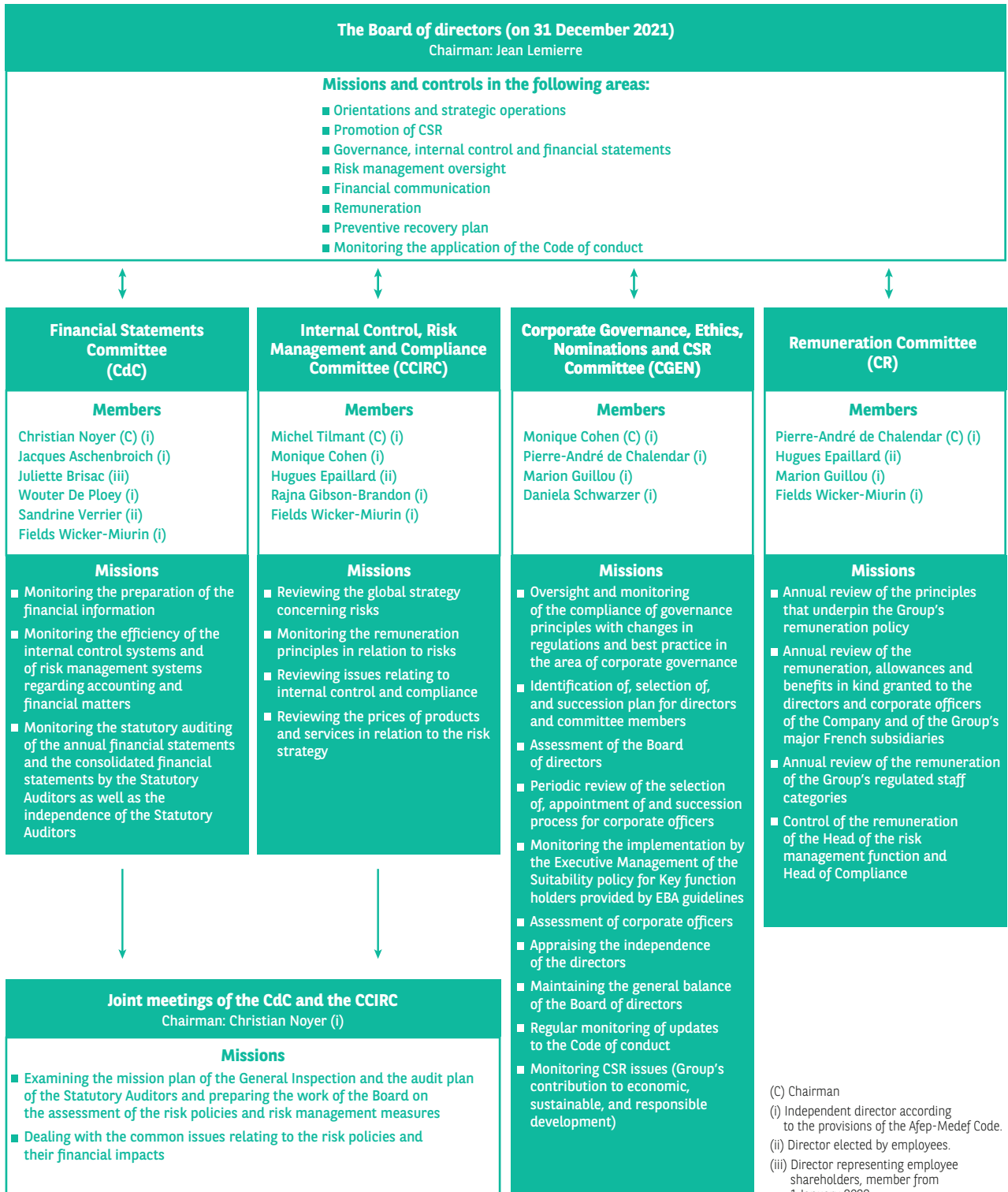
Note that the Internal Rules emphasise the collegial nature of the Board of directors, which jointly represents all shareholders and must act in the Company's best interest at all times. It details the Board responsibilities (article 1).

The Board of directors is backed by four specialised committees (the Financial Statements Committee, the Internal Control, Risk and Compliance Committee, the Corporate Governance, Ethics, Nominations and CSR Committee, the Remuneration Committee) as well as any *ad hoc* committees. The Internal Rules detail each committee's missions, in line with the provisions of the CRD 5 and EBA Guidelines. They provide for joint meetings between the Financial Statements Committee and the Internal Control, Risk and Compliance Committee whenever required.

Neither the members of the Executive Management nor the Chairman of the Board of directors have sat on any Committee since 1997.

As far as the Board is aware, no agreement has been entered into directly, or through an intermediary, between on the one hand, one of BNP Paribas' directors and corporate officers and, on the other, another company in which BNP Paribas owns, directly or indirectly, over half of the share capital (articles L.22-10-10 and L.225-37-4 paragraph two of the French Commercial Code), without prejudice to any agreements relating to current operations concluded under normal conditions.

The Internal Rules and Suitability policy mentioned above have been adopted by the Board of directors and are included in this report.



(C) Chairman  
 (i) Independent director according to the provisions of the Afep-Medef Code.  
 (ii) Director elected by employees.  
 (iii) Director representing employee shareholders, member from 1 January 2022.

Each committee is composed of members with expertise in the relevant areas and complies with the provisions of the French Monetary and Financial Code and the recommendations of the Afep-Medef Code. Thus,

- most of the members of the Financial Statements Committee have qualifications and experience in corporate financial management, accounting and financial information. In consideration of his financial skills reinforced by his professional career, notably as Governor of the Banque de France, Mr Christian Noyer is Chairman of the Committee;
- most of the members of the Internal Control, Risk and Compliance Committee having particular expertise in financial matters and in the area of risk through their training or experience. Its Chairman has international experience in banking management. One of its members has been a member of the Board of the *Autorité des marchés financiers* (AMF) and another has long-term financial risk experience. In addition, a member of the Internal Control, Risk Management and Compliance Committee is also a member of the Financial Statements Committee in order to promote the work of the Committees on the appropriateness of the risks and provisions recorded by the Bank;
- the members of the Corporate Governance, Ethics, Nominations and CSR Committee are independent directors who have expertise in corporate governance and in putting together management teams in international companies and in CSR. For example, one of its members is also a member of the *Haut conseil pour le Climat* since its creation in 2018, another is the Chairman of an international group involved in energy renovation and finally, another member manages a leading foundation that promotes democracy and the defence of Human rights;
- the Remuneration Committee is made up of independent members who have experience of remuneration systems and market practices in this area and a director elected by employees. Two members of the Remuneration Committee are also members of the Internal Control, Risk Management and Compliance Committee. This composition facilitates the Board of directors' work on the appropriateness of BNP Paribas' remuneration principles with the risk policy.

The Chairman of the Board of directors attends the meetings of the committees but is not a member of any of them and may add any subject he considers relevant to the agenda.

European and French regulations applicable to BNP Paribas require members of the Board of directors and executive corporate officers to have integrity at all times, and to have the knowledge skills, experience and time needed to perform their duties. The ECB is notified of their appointment or re-appointment so that it can assess them on the basis of these criteria. To date, BNP Paribas has not received any notification from the ECB that these criteria have not been met.

In addition, the ECB did not issue any objections as regards the composition of the Board of directors or its specialised committees.

## 1.a Separation of the functions of Chairman and Chief Executive Officer

As of 11 June 2003, BNP Paribas has dissociated the offices of Chairman of the Board and Chief Executive Officer. This decision is in line with the obligations imposed on credit institutions since 2014 by the French law transposing Directive 2013/36/EU on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms.

### The duties of the Chairman

They are described in article 3.1 of the Internal Rules.

The Chairman is responsible for ensuring that the quality of the relationship with shareholders is maintained, coordinating closely with any steps taken by Executive Management in this area. In this connection, the Chairman chairs the Shareholders Liaison Committee, whose task is to assist the Bank in its communications with individual shareholders; several times a year, he invites the shareholders to meetings where the Company's strategy is explained. He reports on his duties to the Board of directors.

The Chairman maintains a close and trusting relationship with Executive Management and provides the team with assistance and advice while respecting its executive responsibilities. The Chairman organises his activities so as to ensure his availability and put his experience to the Group's service. His duties are contributory in nature and do not confer any executive power on him. They do not in any way restrict the powers of the Chief Executive Officer, who has sole operational responsibility for the Group.

Coordinating closely with Executive Management, the Chairman can represent the Group in its high-level relationships, particularly with major clients, public authorities and institutions, at national, European and international levels. He plays an active part in discussions concerning regulatory developments and public policies affecting BNP Paribas, and, more generally, the financial services sector.

The Chairman contributes to promoting the values and image of BNP Paribas, both within the Group and externally. He expresses his views on the principles of action governing BNP Paribas, in particular in the field of professional ethics. He contributes to enhancing the Group's image through the responsibilities he exercises personally in national or international public bodies.

At the request of the Chief Executive Officer, he can take part in any internal meeting on subjects relating to strategy, organisation, investment or disinvestment projects, risks and financial information. He expresses his opinions without prejudice to the remit of the Board of directors; he provides support to the teams responsible for covering major companies and international financial institutions; he also contributes to the development of BNP Paribas' advisory activities, particularly by assisting in the completion of major corporate finance transactions.

He ensures that principles of corporate governance are defined and implemented.

The Chairman is the custodian of the proper functioning of the Board of directors of BNP Paribas. As such:

- with the support of the Corporate Governance, Ethics, Nominations and CSR Committee, with the approval of the Board of directors and of the Shareholders' Annual General Meeting, where appropriate, he endeavours to build an efficient and balanced Board, and to manage, both in the short- and long-term, the replacement and succession processes related to the Board of directors and nominations which will acknowledge the Company's strategic ambitions;
- on the basis of the dissociation of the functions of Chairman and Chief Executive Officer, his role is to ensure directors' independence and freedom of speech;
- he ensures that the directors have the documentation and information necessary to carry out their duties in a timely manner and in a clear and appropriate form.

### The powers of the Chief Executive Officer

The Chief Executive Officer has the broadest powers to act in all circumstances on behalf of BNP Paribas, and to represent the Bank in its relation with third parties. He is responsible for the organisation of internal control procedures and for all the information required by regulations in that regard.

He exercises his powers within the limitations of the corporate object, and subject to any powers expressly attributed by law to the Shareholders' Annual General Meeting and Board of directors.

The Internal Rules of the Board of directors provide that the Chief Executive Officer shall request its prior approval for all investment or disinvestment decisions (other than portfolio transactions) in excess of EUR 250 million, and for any proposal to acquire or dispose of shareholdings in excess of that threshold (other than portfolio transactions) (article 1.1). The Chief Executive Officer must also ask the Board's Financial Statements Committee for prior approval of any non-audit related assignment involving fees in an amount of over EUR 1 million (excluding taxes) (article 7.1.3).

## 1.b Composition of the Board – Independence of directors

### Composition of the Board of directors: a collegial body with collective competence

On the proposal of the Board of directors, the Shareholders' Annual General Meeting of 18 May 2021 renewed for three years the terms of office of Ms Rajna Gibson-Brandon and Mr Pierre-André de Chalendar, appointed Ms Juliette Brisac as director representing employee shareholders and appointed Mr Christian Noyer to replace Mr Denis Kessler who did not request the renewal of his office which expired at the end of the Annual General Meeting.

At the end of the Annual General Meeting of 18 May 2021 and as of 31 December 2021:



(1) In accordance with Articles L.22-10-3, L.22-10-5 and L.225-27-1 of the French Commercial Code.

## Independence of directors (as of 31 December 2021)

The table below shows the position of each director with regard to the independence criteria provided by the Afep-Medef Code to define an independent director:

Criteria	Jean LEMIERRE	Jean-Laurent BONNAFÉ	Jacques ASCHENBROICH	Juliette BRISAC	Pierre-André de CHALENDAR	Monique COHEN	Hugues EPAILLARD	Rajna GIBSON-BRANDON	Marion GUILLOU	Christian NOYER	Daniela SCHWARZER	Michel TILMANT	Wouter DE PLOEY	Sandrine VERRIER	Fields WICKER-MIURIN
1 Not be, or have been, in the last five years (i) an employee or corporate officer of the Company or of a consolidated subsidiary of the Company; (ii) a director of a consolidated subsidiary	0	0	✓	0	✓	✓	0	✓	✓	✓	✓	✓	✓	0	✓
2 Whether or not corporate offices are held in another company	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
3 Whether or not significant business relationships exist	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
4 Whether or not there are close family ties to a corporate officer	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
5 Not have been a Statutory Auditor of the Company in the previous five years	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
6 Not a director of the Company for more than twelve years	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
7 No variable remuneration for non-executive corporate officers	✓	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
8 Major shareholder status	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

✓ represents compliance with an independence criterion defined in the Afep-Medef Code.

0 represents non-compliance with an independence criterion defined in the Afep-Medef Code.

■ The following directors meet the independence criteria contained in the Corporate Governance Code and reviewed by the Board of directors: Mrs Monique Cohen, Rajna Gibson-Brandon, Marion Guillou, Daniela Schwarzer, Fields Wicker-Miurin, Messrs Jacques Aschenbroich, Pierre-André de Chalendar, Wouter De Ploey, Christian Noyer and Michel Tilmant.

In particular, for Messrs Jacques Aschenbroich and Pierre-André de Chalendar, the Board of directors confirmed that the business relations between BNP Paribas and respectively (i) Valeo and its group, and (ii) Saint-Gobain and its group are not significant (the revenue generated by each of these business relations accounted for less than 0.5% of the total revenue reported by BNP Paribas).

■ The two directors elected by the employees, Ms Sandrine Verrier and Mr Hugues Epailard, as well as the director representing employee shareholders, Ms Juliette Brisac are not taken into account for the calculation of independence according to the criteria of the Afep-Medef Code despite their status and their method of election, which guarantee their independence.

■ Two directors appointed by the shareholders – the Chairman of the Board of directors Mr Jean Lemierre, and the Chief Executive Officer Mr Jean-Laurent Bonnafé – do not fulfil the independence criteria laid down by the Corporate Governance Code.

Over half of the directors of BNP Paribas are therefore independent in terms of the criteria for independence contained in the Afep-Medef Code and the Board of directors' assessment.

## Directors' knowledge, skills and experience – Diversity and complementarity

When the Corporate Governance, Ethics, Nominations and CSR Committee (CGEN) reviews the skills and experience of potential directors, it is careful to maintain the diversity and collective skills of the Board of directors in light of changes to the Bank's strategy and in accordance with the Suitability policy. Thus, the Board brings together expertise in banking and financial matters, risk management, international digital transformation, banking regulation and compliance, particularly as regards anti-money laundering and combating the financing of terrorism (AML/CFT) and in CSR as well as experience in Executive Management of large corporate groups.

These candidates are identified and recommended by the committee on the basis of criteria that combine personal and collective skills, according to the procedures in the Internal Rules (article 4.2.1) and by the Suitability policy (section II Identification of, selection of and succession plan for Members of the management body and Key function holders), which ensure their independence of mind; these include:

- competence, based on experience and the ability to understand the issues and risks, enabling the directors to make informed and effective decisions;
- courage, in particular to express opinions and make judgements, enabling the directors to remain objective;

- availability and assiduity, which allow for the necessary detachment and promote the directors' commitment and sense of responsibility regarding the exercise of their office;
- loyalty, which fosters directors' commitment to the Company and to their duties within the Board, which collectively represents the shareholders;
- directors' proper understanding of the Company's culture and ethics.

Directors all have a range of skills and experience that they have acquired during their professional careers. The table below aims to reflect this diversity within the Board of directors and lists more specific contributions made by each of the directors.

Director	Age <sup>(1)</sup>	Gender	Nationality	Areas of expertise	End of term of office
Jean LEMIERRE (Chairman)	71	M	French	Banking/Finance Risks/Regulation monitoring International business operations AML/CFT	2023
Jean-Laurent BONNAFÉ (Director, Chief Executive Officer)	60	M	French	Banking/Finance International business operations CSR AML/CFT	2022
Jacques ASCHENBROICH	67	M	French	Industrial International business operations Transformation CSR	2023
Juliette BRISAC	57	F	French	Employee shareholder representation	2024
Pierre-André de CHALENDAR	63	M	French	Industrial International business operations CSR	2024
Monique COHEN	65	F	French	Banking/Finance International business operations CSR AML/CFT	2023
Wouter DE PLOEY	56	M	Belgian	Banking/Finance Digital Transformation	2022
Hugues EPAILLARD (Director elected by employees)	55	M	French	Organisation representing employees	2024
Rajna GIBSON-BRANDON	59	F	Swiss	Financial markets Risks/Regulation monitoring CSR	2024
Marion GUILLOU	67	F	French	Risks/Regulation monitoring CSR Technology	2022
Christian NOYER	71	M	French	Banking/Finance International business operations Risks/Regulation monitoring AML/CFT	2024
Daniela SCHWARZER	48	F	German	Money markets Geopolitics CSR	2023
Michel TILMANT	69	M	Belgian	Banking/Finance Risks/Regulation monitoring International business operations AML/CFT	2022
Sandrine VERRIER (Director elected by employees)	42	F	French	Organisation representing employees	2024
Fields WICKER-MIURIN	63	F	British/ American	Banking/Finance Financial markets International business operations	2023

(1) 31 December 2021.



In addition, the additional information referred to in Article L.22-10-10° of the French Commercial Code relating to employees is shown in sections 7.3 entitled "Outstanding actions in the area of professional equality" and 7.7 entitled "Our employees" of this document<sup>(1)</sup>.

### 1.c Directors' Ethical Conduct

- As far as the Board is aware, there are no potential conflicts of interests between BNP Paribas and any of the directors. The Suitability policy requires directors to report any situation likely to constitute a conflict of interest to the Chairman, the Board of directors may then ask the director in question to refrain from taking part in voting on the relevant issues.
- As far as the Board is aware, none of the Board members has been found guilty of fraud or been associated, as member of an administrative, management or supervisory body, or as Chief Executive Officer, with any insolvency, receivership or liquidation proceedings during at least the last five years.
- As far as the Board is aware, no member of the Board of directors is subject to any official public accusation and/or penalty. No director has been prohibited from acting in an official capacity during at least the last five years.
- There are no arrangements or agreements with key shareholders, customers, suppliers or other persons that involve the selection of any member of the Board of directors.
- The directors must carry out their duties in a responsible manner, particularly as regards the regulations relating to insider dealing. They are notably required to comply with legal requirements relating to being in possession of insider information. Under the terms of the Internal Rules, they must also refrain from carrying out any transactions in BNP Paribas shares that could be regarded as speculative (article 4.3.1 of the Internal Rules). They are informed of the periods during which they may, except in special circumstances, carry out any transactions in BNP Paribas shares (article 4.3.1 of the Internal Rules).

### 1.d Directors' training and information

- Pursuant to the Internal Rules, every director can ask the Chairman or the Chief Executive Officer to provide them with all the documents and information required to enable them to carry out their duties, to participate effectively in the meetings of the Board of directors and to make informed decisions, provided that such documents are necessary

to the decisions to be taken and connected with the Board's powers (article 3.4.1 of the Internal Rules).

- The directors have unrestricted and continuous access to the minutes of meetings of the Board's specialised committees and the minutes of Board meetings using a special digital tool. This system also provides directors with a range of useful information in a secure and timely manner to facilitate them in their work. Since 2017, it has been possible to use this system to deliver e-learning training modules to directors.
- Committee meetings provide an opportunity to update the directors on the topical issues on the agenda. In addition, the Board is kept informed of changes in the banking regulations and reference texts concerning governance and can be trained on such occasions.
- During three training days (March, June and September 2021), the directors received training on (i) BNP Paribas Real Estate, BNP Paribas Factor and the Private Equity market, (ii) insurance risks, (iii) the challenges of finalising Basel III and (iv) sanctions and embargoes, anti-money laundering and combating the financing of terrorism and the fight against corruption and influence peddling. It was also the opportunity for directors to meet with the relevant managers in the Group.
- The new directors benefited from an individual training programme with operational managers and in particular a session dedicated to *Fit and Proper* provided by banking regulations.
- Pursuant to the provisions of the French Commercial Code on the training of the directors elected by employees and of the director representing employee shareholders and the time allotted to them for the preparation of the meetings of the Board of directors and its committees, the Board determined that the content of the training programme would include the Bank's activities and organisation and applicable regulations.
- In 2021, one director elected by the employees continued her training leading to a diploma of the *Institut Technique de la Banque* for a total of 44 days, the second director elected by the employees attended two training courses dispensed by an external organisation on bank accounting and the integration of extra-financial criteria into governance for a total of 30 hours. The directors elected by the employees and the director representing employee shareholders also benefit, like any other directors, from trainings provided by BNP Paribas as described above, in addition to their training hours provided by external organisations.

(1) This information supplement the description of the diversity policy applied to members of the Board of directors.

## 1.e Directors' attendance at Board and Committee meetings in 2021

Director	Board of directors	Specialised committees	Individual attendance rates
J. LEMIERRE	100%		100%
J.L. BONNAFÉ	100%		100%
J. ASCHENBROICH	100%	71%	90%
J. BRISAC <sup>(1)</sup>	100%	-	100%
P. A. de CHALENDAR	100%	100%	100%
M. COHEN	100%	94%	97%
W. DE PLOEY	85%	100%	90%
H. EPAILLARD	100%	100%	100%
R. GIBSON-BRANDON	92%	83%	88%
M. GUILLOU	100%	100%	100%
D. KESSLER <sup>(2)</sup>	100%	100%	100%
C. NOYER <sup>(3)</sup>	100%	100%	100%
D. SCHWARZER	100%	100%	100%
M. TILMANT	100%	100%	100%
S. VERRIER	92%	100%	95%
F. WICKER-MIURIN	100%	100%	100%
<b>Average</b>	<b>98%</b>	<b>96%</b>	

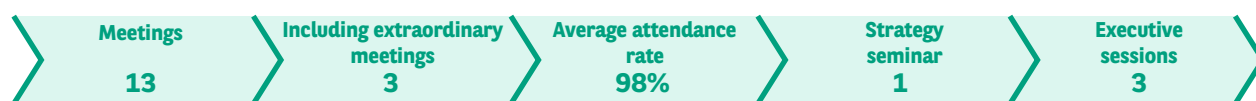
(1) Director representing employee shareholders from the Shareholders' Annual General Meeting of 18 May 2021.

(2) The term of office of Mr Denis Kessler ended at the Shareholders' Annual General Meeting of 18 May 2021.

(3) Director as of the Shareholders' Annual General Meeting of 18 May 2021.

## 2. THE WORK OF THE BOARD AND COMMITTEES IN 2021

### 2.a The work of the Board in 2021



The Board of directors, which determines BNP Paribas' strategy and overall business objectives based on proposals submitted by Executive Management and with the aim of promoting long-term value creation in the light of social and environmental issues:

- monitored the Group's results over the first nine months of 2021, which demonstrate the Bank's recovery compared to the 2019 financial year although some business lines are still impacted by the Covid-19 health crisis. The results demonstrate the strength of the Group's diversified and integrated model and BNP Paribas' growth potential, as certain businesses gained significant market shares during the crisis. The cost of risk is almost back to its level of 2019. The capital adequacy ratios are higher than the supervisors' requirements and make it possible to prepare the Basel III reform;
- adapted the Group's distribution policy in the context of the health crisis and:
  - proposed the payment of a cash dividend of EUR 1.11 during the Annual General Meeting of 18 May 2021, which was the maximum resulting from the ECB recommendation dated 15 December 2020,
  - proposed the payment of an additional cash dividend of EUR 1.55 during the Annual General Meeting dated 24 September 2021 following the lifting of the restrictions imposed by the ECB in order to achieve a pay-out ratio of 50% of net income for the 2020 financial year,
  - approved, as a complement, the launch of a share buyback program of EUR 900 million executed between 1 November 2021 and 8 February 2022;

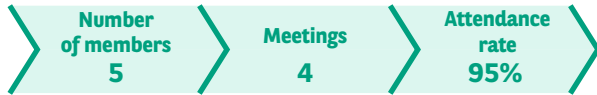
- approved the management report for the 2020 financial year;
  - reviewed the Group's budget for the 2022 financial year;
  - acknowledged of the Bank's achievements in 2020 and the Bank's CSR policy outlook for 2021, under the aegis of the United Nations' 17 Sustainable Development Goals, in particular the Group's commitments in terms of protection of biodiversity;
  - reviewed BNP Paribas' membership to the "Net Zero Banking Alliance" in April 2021 and its commitment to achieve a carbon neutral economy by 2050;
  - was informed of the Bank's actions in terms of social issues, in particular the actions undertaken in favour of young people and the fight against exclusion, the promotion of respect for human rights in all of the Group's activities and the actions carried out to accelerate social impact investments;
  - acknowledged the functioning and strategy of Nickel, one of the Group subsidiaries;
  - continued to monitor the consolidation of Deutsche Bank's Prime Brokerage activity into Global Markets and the development of its relationships with Exane, of which BNP Paribas became the sole shareholder;
  - approved the sale of Bank of the West and the terms of the sale agreement to the buyer;
  - approved the acquisition of FLOA;
  - approved the new partnership with Stellantis, including the acquisition by BNP Paribas Personal Finance of a 50% stake in the joint ventures held by Santander and PSA in Germany and the United Kingdom;
  - approved the sale of the insurance company Cargeas to Intesa San Paolo;
  - approved the disposal of a Group's stake in Allfunds;
  - approved the subscription by BNP Paribas to a convertible bond issued by the Bank of Nanjing;
  - approved the acquisition by BNP Paribas of a minority stake in a consumer credit joint venture in China;
  - was informed of the development of the partnership between BNP Paribas Fortis and bpost bank;
  - was informed of acquisitions and disposals of less than EUR 250 million made by the Bank in 2020 and in the first half of 2021;
  - was informed of the preliminary results of the Supervisory Review and Evaluation Process (SREP) conducted by the ECB for the 2021 financial year;
  - was informed of BNP Paribas' G-SIB score, which stands at 200 basis points as of 1 January 2023;
  - reviewed the regulatory ratios of the main systemically important banks;
  - monitored the implementation of the Bank's IT and information systems strategy;
  - monitored changes in the shareholding structure and share price;
  - reviewed the Bank's relative performance in 2021 compared with its competitors;
  - acknowledged the feedback received from investors during roadshows;
  - reviewed the opinion of the Central Works Council on the Bank's strategic guidelines and acknowledged the clarifications provided by the Human Resources Department;
  - was informed of the results of targeted surveys of employees measuring their satisfaction at work;
  - acknowledged the agreement signed with the trade unions on remote working in France;
  - decided the payment of an additional incentive to employees for 2020;
  - acknowledged the Human Resources policy as part of the 2022-2025 strategic plan;
  - reviewed the issuance amounts of debt securities in the form of senior and subordinated debt;
  - monitored the execution of the share buyback programme in the fourth quarter of 2021;
  - understood the Executive Management's comments on the net margin generated on new lending in 2020 and in the first half of 2021;
  - authorised the delegations of authority for the issuance of debt securities, particularly for bonds and similar securities;
  - examined the related-party agreements entered into and authorised in previous years but still in force in the past year;
  - renewed the delegation of responsibility for the internal control of regulated subsidiaries so requesting and received a report from the subsidiaries in question;
  - was informed of the appointments of the heads of permanent control and periodic control within BNP Paribas SA with regard to anti-money laundering and combating the financing of terrorism and the freezing of assets in accordance with the Decree of 6 January 2021;
  - reviewed and approved the answers to written questions submitted by shareholders at the Annual General Meeting of 18 May 2021.
- As in previous years, SSM representatives from the ECB and representatives of the French *Autorité de contrôle prudentiel et de résolution* (ACPR) attended the Board of directors' meeting of 23 February 2021. They outlined their priorities for banking supervision for 2021, which were followed by an exchange of views with the members of the Board.
- As in previous years, the Board of directors met on 16 December 2021 for a strategic seminar devoted to the challenges of the new strategic plan 2022-2025 for Commercial, Personal Banking & Services, Corporate and Institutional Banking and Investment Protection Services.

### Executive sessions

In addition to the evaluation of the performance and remuneration of the executive corporate officers, which were discussed without their presence, three meetings of directors were held in the form of "executive sessions" on the Group's challenges and operations as a follow-up to the training sessions provided during the year. During these sessions, the directors had the opportunity to interact with the operational managers concerned.

Finally, the Chairman and the non-executive directors had discussions both on strategy and on the perception of interactions between the Board of directors and the Group's Executive Management.

## 2.b Work performed by the Financial Statements Committee and work approved by the Board of directors in 2021



### Examination of the financial statements and financial information

The Financial Statements Committee:

- conducted quarterly reviews of the financial statements based on the documents and information provided by Executive Management and the work carried out by the Statutory Auditors;
- each quarter, analysed summary reports of the consolidated results and annualised return on equity, as well as results and profitability by business area;
- each quarter, reviewed the Group's consolidated balance sheet and changes to said balance sheet; on that occasion, it was given an update on off-balance sheet commitments;
- each quarter, reviewed the report on internal audit control points flagged by Group entities in the context of the certification of their financial statements. It analysed the change in the risk level observed for each of the thirty major accounting controls;
- each quarter, reviewed the work to make models used to calculate credit risk provisions more reliable under IFRS 9;
- reviewed changes in equity and the capital adequacy ratio with regard to the new prudential solvency regulations and new requirements imposed by the regulator;
- reviewed trends in revenues and the cost/income ratio by business for each quarter;
- reviewed the dividend distribution policy in consideration of the recommendation issued with regard to the Covid-19 crisis;
- kept track of the changes in prudential requirements and reviewed changes in risk-weighted assets;
- reviewed the provisions for litigation on a regular basis;
- reviewed goodwill;
- conducted a detailed analysis of the composition of the Group's balance sheet;
- acknowledged, each quarter, the adjustments made to the Credit Valuation Adjustment (CVA), the Debt Valuation Adjustment (DVA) and the Funding Valuation Adjustment (FVA);
- was informed of changes in the organisation of the Finance & Strategy function.

Each quarter, when reviewing the results, it:

- heard the Bank's Chief Financial Officer, his deputy and the person responsible for accounting and financial reporting;

- interviewed the Bank's Chief Financial Officer, without the presence of Executive Management;
- heard the Statutory Auditors' comments and conclusions on the quarterly and annual financial statements, where applicable;
- asked the Statutory Auditors the questions it considered necessary, without the presence of the Executive Management or the Chief Financial Officer;
- reviewed the accounting certification mechanisms as part of the internal control procedures.

It reviewed the section of the management report concerning the internal control procedures relating to the preparation and processing of accounting and financial information in respect of the 2020 financial year; it recommended approval by the Board of directors.

The Board:

- was informed of all the work of the Financial Statements Committee and the findings of the Statutory Auditors at the end of each reporting period;
- reviewed and approved the results of the fourth quarter of 2020, full-year 2020 and the first three quarters of 2021;
- reviewed and approved draft press releases at each meeting held to discuss the financial statements;
- acknowledged the report of the discussions held by the Financial Statements Committee with the Statutory Auditors and the Chief Financial Officer, without the presence of the Executive Management;
- approved the section of the management report on the preparation and processing of accounting and financial information in respect of 2020.

### Relations with the Statutory Auditors

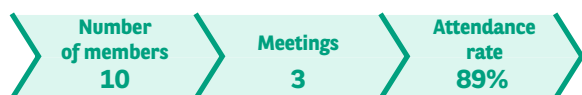
The Financial Statements Committee received a written certificate of independence from each of the Statutory Auditors.

It was informed of the amount of fees paid to the Statutory Auditors and reviewed the summary report on assignments not directly related to the statutory audit, without the presence of the Statutory Auditors. In accordance with the Internal Rules (§ 7.1.3), it authorised three assignments relating to non-prohibited services for which the prior approval of the Committee is required.

The Committee reviewed the terms of the call for tenders for the renewal of the Statutory Auditors as proposed by Executive Management.

The Board approved the terms of the call for tenders for the renewal of the Statutory Auditors.

## 2.c Work performed by the Financial Statements Committee and the Internal Control, Risk Management and Compliance Committee in their joint meetings, and work approved by the Board of directors in 2021

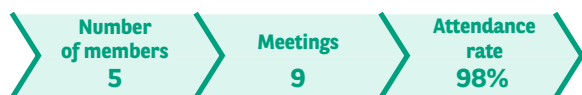


The Committees:

- acknowledged the results of the EBA stress tests carried out in the first quarter of 2021;
- reviewed the calculation methodology used by the Group to estimate the ex-ante provisions for credit risk under IFRS 9 and any provisions write-backs considering the improvement in economic conditions;
- acknowledged the Statutory Auditors' audit plan for the financial year 2021;
- discussed whether the prices of the products and services proposed to customers are compatible with the risk strategy (in accordance with the provisions of CRD 5);
- reviewed the main ongoing legal disputes and proceedings for which provisions have been, or may be, made;
- reviewed the economic assumptions used to prepare the budget and the strategic plan for 2022-2025;
- were informed of the progress within the Group of the programme aimed at coordinating the implementation of the new interbank rates (reform of the Eonia, Euribor and Libor rates).

The Board was informed of all the work performed by the Financial Statements Committee and the Internal Control, Risk Management and Compliance Committee.

## 2.d Work performed by the Internal Control, Risk Management and Compliance Committee and work approved by the Board of directors in 2021



Since 19 May 2020, the Internal Control, Risk Management and Compliance Committee and the Financial Statements Committee have a joint member to support the work of the committees on the appropriateness of the risks and provisions recognised by the Bank.

## Risks and liquidity

The Internal Control, Risk Management and Compliance Committee:

- reviewed the Risk Appetite Statement (RAS), the aggregate risk thresholds, taking into consideration changes in relation to liquidity risk, interest rate risk in the banking book and operational risk as well as proposals for the introduction of new relevant monitoring indicators;
- acknowledged the Internal Liquidity Adequacy Assessment Process (ILAAP) report and reviewed the tolerance threshold above which it may be deemed that the liquidity position complies with the Bank's risk tolerance;
- reviewed the 2020 internal control report, including the report on operational risk, including IT, permanent control and business continuity as well as the control of outsourced activities;
- monitored the deployment of the cybersecurity program within the Group, its action plan, the priority topics and the related budget. It was informed of the way in which the Group is strengthening its system to counter the increase in the cyber threat in a context of a general increase in the use of digital tools. The Committee reviewed the degree of maturity of each business and each region according to the standards set by the Group and the intrusion simulations carried out internally. The Committee was informed of the achievements of the year and the objectives for the following financial years;
- reviewed the dashboard presented quarterly by the Head of RISK and reviewed trends in market, counterparty, credit and operational risk as well as liquidity risk. It regularly analysed the impacts of the health crisis on the various risk categories. It deliberated on the basis of information presented by RISK. The Head of RISK responded to the committee's questions during the meeting;
- was informed of any risk indicator limits that had been exceeded and, where applicable, any action plans decided by Executive Management;
- reviewed the renewal of risk limits for specific sectors and activities;
- monitored the Bank's outsourcing risk management framework;
- decided whether the Group's remuneration policy was compatible with its risk profile.

The Board:

- was informed of all the Committee's work on Group risks and liquidity, in particular it was regularly informed of the impact of the health crisis on risks;
- approved changes to the Group's RAS;
- approved the liquidity risk tolerance level and the policies, procedures and internal systems relating to liquidity risk;
- approved the forwarding to the ACPR of the operational risk, permanent control and business continuity components of the internal control report;
- approved the renewal of risk limits for specific sectors and activities.

**Ad hoc work**

The Internal Control, Risk Management and Compliance Committee:

- was informed at each of its meetings of the operational and commercial impacts of the health crisis;
- was informed of the risk management framework associated with the activity of Prime Brokerage;
- reviewed the risk management framework associated with the Commodities Finance portfolio;
- was informed of changes to the Group's Correspondent Banking system;
- was informed of the way in which the Bank processes and protects the personal data of its customers;
- was informed of the Bank's action plan in response to the ECB guide on climate and environmental risks;
- acknowledged the follow-up letters and the Bank's responses to the ECB's missions on (i) the permanent control framework, (ii) credit risk management and the organisation of controls within BCEF;
- reviewed the follow-up letter and the Bank's response to an ECB deep dive on residential real estate within Commercial Banks in the Domestic markets (formerly Domestic Markets).

The Internal Control, Risk Management and Compliance and Governance, Ethics, Nominations and CSR Committees held a joint meeting to review the main achievements of the Group's ESG action plan, co-sponsored by RISK and by the Company Engagement Department (ongoing introduction of ESG risk in credit committees and KYCs, creation of a dedicated platform bringing together all ESG data including external data such as a controversy management module).

The Board was informed of all the *ad-hoc* work of the committee on risks and liquidity.

**Compliance, internal control, litigation and periodic control**

The Internal Control, Risk Management and Compliance Committee:

- reviewed the section of the management report on internal control and submitted it for the approval of the Board;
- reviewed the 2020 internal control report including the Compliance Risk Assessment report, the key compliance points across all business lines and geographical areas, and the periodic control report;
- reviewed reports on the organisation of internal control systems on anti-money laundering and terrorism financing, as well as on freezing assets of the Bank in accordance with the provisions of the Decree of 21 December 2018;

- reviewed the classification of the Group's risks in terms of anti-money laundering and combating the financing of terrorism in accordance with the Decree of 6 January 2021 relating to the system and internal control on anti-money laundering and combating the financing of terrorism, the freezing of assets and ban on the provision or use of funds or economic resources;
- was informed of the MiFID II control framework and the results of the controls carried out in 2020;
- reviewed the report prepared for 2020 on the assessment and monitoring of risks, in accordance with the provisions of the order of 3 November 2014 on the internal control of companies in the banking, payment services and investment services sectors subject to the control of the ACPR. It assessed the effectiveness of the policies and systems put in place;
- reviewed the annual update of the recovery plan and was informed of any requests for additional modifications made by supervisors to the recovery plan; it proposed that the Board approve the recovery plan;
- reviewed the European regulatory developments in terms of resolution and was informed of the Minimum Requirement for own funds and Eligible Liabilities (MREL) of the Group to be reached by 1 January 2024 set by the Single Resolution Board;
- reviewed, at each of its meetings, the list of ongoing legal disputes and proceedings, as well as the developments in each of the cases;
- discussed the main outcomes of the periodic control carried out in 2020;
- reviewed the General Inspection's half-year report;
- analysed the Compliance Function's half-year report;
- continued to monitor the implementation of the remediation plan initiated in 2014 at the US authorities' request (commitments made by BNP Paribas to control activities carried out in US dollars);
- continued to monitor the outcome of the General Inspection review of remediation;
- was informed of the way in which the audit plan for the 2021 financial year continued to be impacted by the health crisis and travel restrictions abroad;
- regularly reviewed the fines imposed on the Bank by supervisors.
- acknowledged the findings of the French Anti-Corruption Agency mission and the associated action plan;
- reviewed the corruption risk mapping within the Group for the 2020 financial year;
- was informed of the registration of BNP Paribas as a Security Based Swap dealer in the United States.

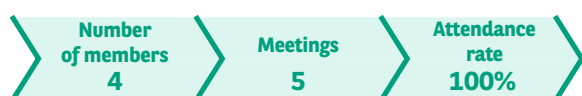
The Board:

- was informed of all the Committee's work on internal control, risks and compliance;
- approved the section of the management report on 2020 internal control;
- approved the forwarding to the ACPR of the compliance and periodic control sections of the internal control report;
- approved the forwarding to the ACPR of reports on the organisation of internal control systems on anti-money laundering and combating the financing of terrorism, as well as on asset freezing;
- heard the results of the work done based on a report drawn up for the assessment and monitoring of risks in 2020; confirmed that the report on the assessment and monitoring of risks had been forwarded to the ACPR;
- approved the recovery plan, the updated version of which was submitted to the ECB.

The Committee interviewed the heads of the RISK, Compliance, General Inspection and LEGAL Functions, without the presence of Executive Management.

The Board heard the reports of the interviews.

## 2.e Work performed by the Corporate Governance, Ethics, Nominations and CSR Committee and work approved by the Board of directors in 2021



### Changes in the membership of the Board and its specialised committees

The Corporate Governance, Ethics, Nominations and CSR Committee:

- reviewed the expiry dates of the directors' terms of office and proposed that the Board submit to the vote of the Shareholders' Annual General Meeting the renewal of the terms of office expiring in 2021, namely those of Mr Pierre-André de Chalendar and Ms Rajna Gibson-Brandon;
- proposed to the Board the appointment of Mr Christian Noyer as a director after ensuring that he fulfilled the criteria defined in the Suitability policy; he succeeds Mr Denis Kessler, whose term of office expired in May 2021;
- reviewed the four candidates for the office of director representing employee shareholders and recommended to the Board the appointment of Ms Juliette Brisac considering her financial and managerial technical skills as well as her legitimacy as Chairwoman of the Supervisory Board of the FCPE, which is dominant in employee shareholding;

- reviewed the position of each of the directors and proposed to the Board to appoint:

- Mr Christian Noyer as Chairman of the Financial Statements Committee, subject to his appointment as director at the Annual General Meeting of 18 May 2021, replacing Mr Denis Kessler;
- Ms Juliette Brisac as an observer on the Financial Statements Committee until the end of the 2021 financial year before becoming a member as from January 2022;

- reviewed the situation of directors asked to take up corporate offices outside the Group, as provided for in the Suitability policy.

The Board:

- proposed that the Shareholders' Annual General Meeting renews the terms of office of the directors in question;
- proposed to the Shareholders' Annual General Meeting the appointment of Mr Christian Noyer as director;
- recommended that the Shareholders' Annual General Meeting vote in favour of the candidacy of Ms Juliette Brisac as director representing employee shareholders;
- appointed with immediate effect after the Shareholders' Annual General Meeting of 18 May 2021, Mr Christian Noyer as Chairman of the Financial Statements Committee and approved the appointment of Ms Juliette Brisac as a member of the Financial Statements Committee as from January 2022.

## Governance

The Corporate Governance, Ethics, Nominations and CSR Committee:

- reviewed the updated pool of potential directors;
- proposed to the Board, on the proposal of the Director and Chief Executive Officer, to appoint Mr Yann Gérardin, Chief Operating Officer in charge of CIB and Mr Thierry Laborde, Chief Operating Officer in charge of CPBS at the end of the Shareholders' Annual General Meeting of 18 May 2021 after ensuring that the proposed candidates fulfilled the Fit & Proper criteria defined in the Suitability policy, in particular in terms of good repute, loyalty and availability and the presence of at least one woman and one man until the end of the selection process;
- proposed that the Board approves the obligation requested of Mr Thierry Laborde to hold a minimum of 20,000 BNP Paribas shares by the end of 2022 and of Mr Yann Gérardin to hold a minimum of 30,000 shares, throughout their terms of office;
- proposed to the Board of directors to update the procedure relating to current agreements concluded under normal market conditions and to add a reference to this procedure in the Suitability policy in order to take into consideration the new regulatory provisions requiring (i) a detailed system for identifying and managing conflicts of interest and (ii) a system for loans granted by the Bank to members of the management body and related natural and legal persons;
- reviewed the report on the current agreements entered into between BNP Paribas and the directors in accordance with the Application Procedure relating to current conventions signed under normal conditions approved in 2019 by the Board;

- reviewed how to increase the Board of directors' attention to ESG issues, notably through the organisation of training sessions on these topics. It also proposed to the Board on an experimental basis that the CGEN be opened to all directors once a year in order to address a specific ESG issue;
- acknowledged that the Group Executive Committee, under the new organisation, is now composed of one third of women;
- ascertained the suitability of key function holders with the Human Resources Department, in particular those appointed in May 2021;
- was informed of the implementation and outcome of the controls related to the Corporate Governance Policy applicable to all subsidiaries within BNP Paribas' prudential scope of consolidation;
- was informed of the content of exchanges between the Chairman of the Board of directors and investors about the Bank's governance;
- reviewed the report on Corporate governance with respect to 2020; it recommended approval by the Board of directors;
- was informed of the new responsibilities of the directors as part of the registration of BNP Paribas as a Security Based Swap dealer.

#### The Board:

- approved the appointment of Messrs Yann Gérardin and Thierry Laborde as Chief Operating Officers respectively in charge of CIB and CPBS, who took up their duties at the end of the 2021 Annual General Meeting of 18 May 2021;
- approved the minimum number of shares to be held by the two Chief Operating Officers as well as the compliance period associated with this obligation for Mr Thierry Laborde;
- approved the update of the procedure relating to current agreements concluded under normal market conditions, renamed "Implementation procedure for conflicts of interest in relation to loans and other transactions granted to the members of the management body and their related parties" and the Suitability policy;
- concluded that all the agreements that were examined were in fact current agreements concluded under normal conditions;
- approved the proposal made by the Committee to organise an experimental CGEN dedicated to ESG once a year by inviting the other directors, while being chaired by the Chairwoman of the CGEN;
- approved the Corporate governance report for 2020.

## Assessment of the Board of directors

The Committee:

- acknowledged the results of the assessment of the Board of directors conducted by an external firm, for the financial year 2020. The assessment carried out in the context of the health crisis confirmed the directors' satisfaction with the functioning of the Board and with the contribution of each of the directors as well as the commitment and effectiveness of the Chairman in leading and organising the Board's work. It noted the solidarity of the Board of directors, including with regard to Executive Management, as well as the skills of the management team, the quality of the Board and the complementarity of its members;
- it monitored the implementation of the action plan arising from the assessment conducted in 2020. This resulted in regular Board discussions on topics related to operational risk and ESG as well as cyber risk;
- proposed an action plan to the Board that was in keeping with the action plan set out the previous year, in particular:
  - (i) continuing discussions with the Group's operational managers, in particular the members of the Group's Executive Committee,
  - (ii) further examination of Human Resources and CSR issues;
- prepared the internal assessment of the Board of directors for the financial year 2021.

The Board approved the action plan following the 2020 assessment.

## Code of conduct

The Corporate Governance, Ethics, Nominations and CSR Committee, in accordance with its powers, dedicated a session to examining the implementation of the Code of conduct within the subsidiaries and the Group's geographical regions. The committee stressed the importance of training all Group employees in matters relating to Conduct, particularly for new employees.

It reviewed the proposals for updating the Code of conduct and its appendix relating to anti-corruption, in particular the enrichment of the illustrative cases described in the Code and proposed its approval to the Board of directors.

The Board of directors:

- approved the update of the Code of conduct and its appendix on anti-corruption;
- continued to monitor the deployment of the Code of conduct within the Group's subsidiaries and geographical areas.

## Remuneration of directors and the non-voting member

In light of the Remuneration Committee's approval of the allocation of remuneration paid to individual directors for 2021, the Corporate Governance, Ethics, Nominations and CSR Committee reviewed the actual attendance of each director and of the non-voting director at the Committees and Board in 2021.



## Social and Environmental Responsibility

As part of its powers, the Corporate Governance, Ethics, Nominations and CSR Committee reviewed the report on the Group's social and environmental responsibility and proposed some amendments and modifications.

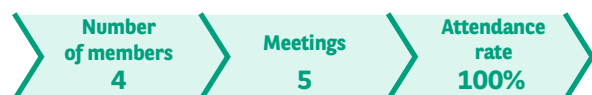
The Committee:

- reviewed the Group's social and environmental responsibility report and acknowledged the exceptional mobilisation of BNP Paribas for customers and society during the health crisis (with the granting of government-guaranteed loans in the Group's Retail Banking networks, commitment to civil society with an emergency donation of EUR 60 million in 2020);
- was informed of the Bank's commitments for 2021 with (i) the acceleration of the transition to a low-carbon economy and (ii) actions in favour of biodiversity.
- reviewed the Bank's statement under the UK and Australian Modern Slavery Acts ("Modern Slavery Act 2015" in the United Kingdom and "Modern Slavery Act 2018" in Australia) to ensure that the Bank's activities are free from human trafficking and slavery. This statement is included in the Group's CSR report;
- was informed of the Group's policy on diversity and inclusion, particularly in terms of professional gender equality, with the acceleration of the strategy for increasing the number of women in the Group's key populations, which is reflected in ambitious objectives by 2025. It was also informed of the Group's new roadmap in terms of multiculturalism and ethnocultural diversity with zero tolerance for racism and ethno-racial discrimination.

The Board of directors:

- approved the Group's social and environmental responsibility report, including the Extra-Financial Performance Statement, with the amendments proposed by the Committee;
- approved the Bank's statement on the United Kingdom's "Modern Slavery Act 2015" and Australia's "Modern Slavery Act 2018".

### 2.f Work performed by the Remuneration Committee and work approved by the Board of directors in 2021



Two members of the Remuneration Committee are also members of the Internal Control, Risk Management and Compliance Committee promoting therein the work of the Committee on the appropriateness of BNP Paribas' compensation principles and risk policy, thus meeting the requirements of the French Monetary and Financial Code.

The Remuneration Committee:

In respect of the year 2020

- after receiving detailed information on Group employees whose responsibilities within the Bank have a significant impact on the Group's risk profile ("material risk takers"):
  - reviewed the issues relating to their remuneration;
  - acknowledged the final scope of the Group's material risk takers;
  - reviewed the 2021 published report on compensation paid to the Group's material risk takers for 2020;
  - reviewed the final parameters for determining the variable remuneration package for the Global Markets business line and was informed of the final package awarded and the way in which individual awards were made for this business line;
  - reviewed the list of the highest paid employees in 2020;
  - audited the 2020 compensation of the Group's Head of RISK and Head of Compliance;
  - reviewed, without the presence of the Executive Management, the quantitative and qualitative performance criteria related to the annual variable remuneration of the corporate officers and proposed to the Board to approve their variable remuneration for 2020;
  - reviewed the Say on pay files relating to each of the corporate officers of BNP Paribas as well as the information shown in the Corporate governance report concerning, in particular, the total compensation and benefits in kind for all directors and corporate officers of BNP Paribas (SA);
  - acknowledged the principles of the remuneration policy, as well as the actual compensation, allowances and benefits of all kinds granted for the 2020 performance year to the corporate officers and the Heads of RISK and Compliance of Group subsidiaries that meet the threshold set by law and that have delegated these missions to the Committee;
  - reviewed the resolution on remuneration paid in 2020 to the Group's material risk takers that is subject to an annual advisory vote at the Shareholders' Annual General Meeting;
  - was informed of the summary of the General Inspection report concerning the implementation of the review of Group material risk takers' remuneration in respect of 2020;
  - reviewed the Bank's proposed action plan following the recommendations made by the ECB as part of one of its missions in 2020.

In respect of the year 2021

- reviewed the scope of the Group's material risk takers identified as an initial estimate in respect of 2021;
- reviewed the rules on deferred compensation and the variable compensation payment terms applicable to the Group's material risk takers in 2021;
- reviewed the initial parameters used to determine the variable remuneration package for Global Markets' employees for the 2021 performance year;

- reviewed the remuneration policy for directors and corporate officers regarding performance in respect of the 2021 financial year;
- reviewed and proposed to the Board the financial conditions for the termination of the duties of Mr Philippe Bordenave as Chief Operating Officer;
- renewed the terms and conditions of directors' remuneration in an identical manner and reviewed the distribution of directors' remuneration and the individual amount allocated to each director for the financial year 2021 on the basis of the verification of the directors' actual attendance at Board and Committee meetings as well as the amount allocated to compensate the non-voting director based on his actual attendance;
- reviewed the changes to the Group's remuneration policy, mainly reflecting the provisions relating to the European CRD 5 directive and the Regulation and Directive applicable to investment firms (IFD/IFR) and proposed that the Board of directors approve the amended policy.

In respect of the year 2022

- as part of its role of supervising the remuneration of the Group's branches in the United Kingdom following Brexit, reviewed and validated the charter of the Committee set up in the United Kingdom whose role is to ensure compliance of the remuneration policy with local regulations. It also reviewed the appendix to the Group's remuneration policy and proposed that the Board of directors approve these two documents.

The Board:

- was informed of all the Remuneration Committee's work;
- examined and approved, without the presence of the Chief Executive Officer and the Chief Operating Officer in office until the Shareholders' Annual General Meeting of 18 May 2021, the assessment made by the committee of the quantitative and qualitative criteria related to the annual variable compensation of the executive corporate officers for the performance year 2020;
- ensured that the change in the variable compensation of executive corporate officers was appropriate;
- approved the Say on Pay files for the financial year 2020 for the corporate officers as well as the information included in the Corporate governance report concerning, in particular, total remuneration and benefits in kind for all directors and corporate officers of BNP Paribas (SA), to be submitted to the vote of the Shareholders' Annual General Meeting;
- approved the financial conditions for the termination of the duties of Mr Philippe Bordenave as Chief Operating Officer;
- heard the committee Chairman's report on the appropriateness of the compensation of the Group's Head of RISK and Head of Compliance for the 2020 performance year;
- was informed by the committee Chairman of the approach used to identify those employees whose professional activities have a significant impact on the Company's risk profile and the principles for their remuneration as proposed by Executive Management for the 2021 performance year;
- approved, without the presence of the Chief Executive Officer and the Chief Operating Officers, the remuneration policy for directors and corporate officers for the financial year 2021;
- approved the individual split of the remuneration allocated to the directors and that allocated to the non-voting director for the financial year 2021;
- approved the changes to the Group's remuneration policy;
- approved the charter of the Remuneration Committee in the United Kingdom as well as the appendix dedicated to the English regulation of the Group's remuneration policy from the financial year 2022.

## INTERNAL RULES OF THE BOARD OF DIRECTORS

### PREAMBLE

The rules concerning:

- the Board of directors;
- the members of the Board of directors, including their rights and obligations;
- the Board of directors' Committees;

are set by the statutory and regulatory provisions, the Company's Articles of Association, and these rules (in addition to these Internal rules of the Board of directors, there is the Policy on the suitability of Members of the management body and Key function holders mentioned in 1.3 below).

The Board of directors also takes into account the French market guidelines concerning corporate governance and, in particular, the provisions of the corporate governance Code for listed companies published by the French employers' organisations *Association française des entreprises privées* (AfeP) and the *Mouvement des entreprises de France* (Medef), hereinafter called the AfeP-Medef Code, to which BNP Paribas (the "Company") refers.

The Board of directors is a collegial body that collectively represents all shareholders and acts in all circumstances in the corporate interests of the Company.

The Board of directors is assisted by specialised committees:

- Financial Statements Committee;
- Internal Control, Risk Management and Compliance Committee;
- Corporate Governance, Ethics, Nominations and CSR Committee; and
- Remuneration Committee;

as well as by any *ad hoc* committee.

### PART ONE - THE BOARD OF DIRECTORS, COLLEGIAL BODY

#### ARTICLE 1. DUTIES OF THE BOARD OF DIRECTORS

The Board of directors discusses any question coming within the scope of its statutory and regulatory duties and contributes to promoting the corporate values aimed, in particular, to ensuring that the conduct of BNP Paribas' activities by its employees complies with the highest ethical requirements in order to protect the reputation of the Bank.

In particular and non-exhaustively, the Board of directors is competent in the following areas:

##### 1.1. ORIENTATIONS AND STRATEGIC OPERATIONS

The Board of directors:

- determines BNP Paribas' s business orientations and supervises their implementation by the Executive Management, taking the social and environmental challenges of BNP Paribas' activities into consideration;

- subject to the powers expressly allocated to the shareholders' meetings and within the limit of the corporate purpose, it handles any issue concerning the smooth running of the Company and settles by its decisions any matters concerning it;

- gives its prior approval with respect to all investment or disinvestment decisions (other than portfolio transactions) in an amount in excess of EUR 250 million, and any proposal to acquire or dispose of shareholdings (other than portfolio transactions) in excess of that threshold, submitted to it by the Chief Executive Officer. It is also regularly informed by the Chief Executive Officer of significant transactions which fall below this limit;

- gives its prior approval to any significant strategic operation which falls outside the approved orientations;

- promotes long-term value creation by BNP Paribas.

##### 1.2. CODE OF CONDUCT

The Board of directors and the Executive Management have developed a Code of conduct of BNP Paribas Group which defines the standards of conduct in line with the values and missions determined by the Bank. This Code, which shall be integrated by each business line and each employee, governs the actions of each employee and guides the decisions at every level of the organisation. For this purpose, the Board ensures the Executive Management implements this Code into business lines, countries and regions.

##### 1.3. GOVERNANCE, INTERNAL CONTROL AND FINANCIAL STATEMENTS

The Board of directors:

- appoints the Chairman, the Chief Executive Officer (CEO) and, on the recommendation of the latter, the Chief Operating Officer(s) (COO);

- sets any limits to the powers of the Chief Executive Officer and of the Chief Operating Officer(s);

- examines the system of governance, which includes, in particular, a clear organisational structure with well defined, transparent and consistent sharing of responsibilities, efficient processes to identify, manage, monitor and report the risks to which the Company is or might be exposed to; it periodically assesses the efficiency of this governance system and ensures that corrective measures have been taken to remedy any failings;

- determines the orientations and controls their implementation by the actual managers of the monitoring measures in order to guarantee an effective and prudent management of the Company, including the segregation of duties in the organisation of the Company and the prevention of conflicts of interests;

- ensures the fulfilment of the obligations which are incumbent on it concerning internal control, and, in particular, examines, at least twice a year, the activity and the results of the internal control;

- approves the management report and the corporate governance report attached to it;

- carries out the controls and verifications which it deems appropriate;

- ensures that the Chief Executive Officer and/or Chief Operating Officer(s) implement a policy of non-discrimination and of diversity including gender balance in management bodies;
- ensures the implementation of process for preventing and detecting corruption and influence-peddling for which it receives all the information required for that purpose;
- examines and closes the financial statements and ensures their sincerity;
- reviews, at least once a year, the draft budgets and the drafts of the various statutory and regulatory reports which the Chief Executive Officer submits to it;
- prepares a suitability policy that defines the assessment of Members of the management body and of Key function holders (the "Policy on the suitability of Members of the management body and Key function holders"); the Board of directors (and its committees) apply this policy and revise it regularly to account in particular for any regulatory changes;
- gives its approval prior to the dismissal of the Heads of the following functions: Risk Management, Compliance, or the General Inspection.

#### 1.4. RISK MANAGEMENT

The Board of directors:

- regularly examines, in connection with the strategy it has defined, the opportunities and risks, such as financial, legal, operational, social, and environmental risks, those linked to money laundering and terrorist financing issues, as well as the measures taken as a result;
- as such, approves and regularly reviews the strategies and policies governing the taking, management, monitoring and reduction of the risks to which the Company is or might be exposed to, including the risks caused by the economic environment. In particular, the Board of directors approves the global risk limits and puts into place a specific process organising its information and, as the case may be, the referral of the matter to it in the event these limits are exceeded.

#### 1.5. COMMUNICATION

The Board of directors:

- ensures that the financial information disclosed to the shareholders and the markets is of high quality;
- controls the process of financial publication and communication, quality and reliability of the information intended to be published and communicated by the Company.

#### 1.6. REMUNERATION

The Board of directors:

- allocates, without prejudice to the powers of the Annual General Meeting, the directors' attendance fees;
- adopts and regularly reviews the general principles of the remuneration policy of the Group which relates, in particular, to the categories of staff including the risk takers, staff engaged in control functions and any employee who, given his overall income, is in the same remuneration bracket as those whose professional activities have an impact on the risk profile of the Group;
- decides, without prejudice to the powers of the Annual General Meeting, the remuneration of the managers who are corporate officers (*dirigeants mandataires sociaux*), in particular their fixed and variable remuneration as well as any other means of remuneration or benefit in kind.

#### 1.7. RESOLUTION

The Board of directors settles the preventive recovery plan of the institution, as well as the items necessary to establish the resolution plan communicated to the competent regulatory authorities.

### ARTICLE 2. FUNCTIONING OF THE BOARD OF DIRECTORS

#### 2.1. ORGANISATION OF THE MEETINGS

The Board of directors meets at least four times a year and as often as circumstances or BNP Paribas' interest requires this.

Notices of meetings may be communicated by the Secretary of the Board.

The Secretary of the Board prepares all of the documents necessary to the Board meetings and arranges to place all of the documentation at the disposal of the directors and other participants in the meetings.

An attendance register is kept, which is signed by the directors taking part in the meeting. It mentions the names of the directors considered as present.

The Board of directors' decisions are recorded in minutes by the Secretary of the Board which are entered into a special register, in accordance with the laws in force. The Secretary of the Board of directors is authorized to issue and certify copies or excerpts of the Board minutes. Each set of Board minutes must be approved at a subsequent Board meeting.

The decisions of the Board of directors are carried out either by the Chief Executive Officer, or a Chief Operating Officer, or by any special representative appointed by the Board of directors.

#### 2.2. MEANS OF PARTICIPATION

Directors taking part in the meeting by videoconference (visioconference) or telecommunication means enabling their identification, guaranteeing their effective participation, transmitting at least the voices of the participants, and meeting, through their technical features, the needs of confidentiality, of continuous and simultaneous retransmission, with the exception of Board meetings closing out the financial statements and the annual report, shall be deemed to be present for the purpose of calculating both the quorum and the majority. The minutes state, as the case may be, the occurrence of any technical incidents if they disturbed the conduct of the meeting.

## PART TWO – THE MEMBERS OF THE BOARD OF DIRECTORS

### ARTICLE 3. COMPOSITION, INFORMATION AND SKILLS

#### 3.1. CHAIRMAN OF THE BOARD OF DIRECTORS

##### 3.1.1. Relations with the Company's other bodies and with parties outside the Company

In relations with the Company's other bodies and with parties outside the Company, the Chairman of the Board of directors alone has the power to act on behalf of the Board of directors and to express himself in its name, except in exceptional circumstances, and except where specific assignments or duties are entrusted by the Board of directors to another director.

The Chairman makes sure that he maintains a close and trusting relationship with Executive Management. He provides him with his assistance and his advice while respecting his executive responsibilities.

He organises his activities so as to ensure his availability and put his experience at the Company's service. He contributes to promoting the values and image of the Company, both within the Group and externally.

Coordinating closely with Executive Management, he can represent the Group in its high level relationships, and particularly with major clients, public authorities and the institutions on national, European and international levels.

He ensures that the quality of relations with shareholders is maintained, in close coordination with the work of Executive Management in this area. He reports on this mission to the Board.

He ensures that principles of corporate governance are defined and implemented.

The Chairman is the custodian of the proper functioning of the Board of directors of BNP Paribas. As such:

- with the support of the corporate governance, ethics, nominations and CSR Committee, with the approval of the Board of directors and of the Annual General Shareholders' Meeting, where appropriate, he endeavours to build an efficient and balanced Board, and to manage replacement and succession plan processes related to the Board of directors and nominations on which it will have to opine;
- he can attend all committee meetings and can add any subject to the agenda of the latter which he considers to be relevant;
- he ensures that the directors have the documentation and information necessary to carry out their duties in a timely manner and in a clear and appropriate form.

### 3.1.2. Organisation of the work of the Board of directors

The Chairman organises and manages the work of the Board of directors in order to allow it to carry out all of its duties. He sets the timetable and agenda of Board meetings and convenes them.

He ensures that the work of the Board of directors is well organised, in a manner conducive to constructive discussion and decision-making. He directs the work of the Board of directors and coordinates its work with that of the specialised committees.

He sees to it that the Board of directors devotes an appropriate amount of time to issues relating to the future of the Company and particularly its strategy.

The Chairman is kept regularly informed by the Chief Executive Officer and other members of the Executive Management of significant events and situations relating to the business of the Group, particularly those relating to: deployment of strategy, organisation, investment or disinvestment projects, financial transactions, risks, financial statements.

The Chief Executive Officer provides the Chairman with all information required under French law regarding the internal control report.

He may ask the Chief Executive Officer or any manager, and in particular, the heads of the control functions, for any information likely to assist the Board and its committees in the carrying out of their duties.

He may hear the Statutory Auditors in order to prepare the work of the Board of directors and of the financial statements' Committee.

## 3.2. DIRECTORS

They undertake to act in the corporate interest of BNP Paribas and to comply with all of the provisions of these Internal rules that are applicable to them, and more specifically the procedures of the Board of directors.

## 3.3. OTHER PARTICIPANTS

### 3.3.1. Non-voting director (censeurs)

The non-voting directors attend the meetings of the Board and of the specialised committees in an advisory capacity.

### 3.3.2. Statutory Auditors

The Statutory Auditors attend the meetings of the Board and of the specialised committees which examine or close the annual or interim financial statements and may attend the meetings of the Board and of the specialised committees when the Chairman of the Board considers it necessary.

### 3.3.3. Persons invited

The Board can decide to invite one or several persons to attend the meetings.

### 3.3.4. Representative of the Central Works Committee

The representative of the Central Works Committee attends the meetings of the Board in an advisory capacity.

### 3.3.5. Secretary of the Board

The Secretary of the Board is appointed by the Board and attends the meetings of the latter.

### 3.3.6. Heads of the control functions

If necessary, in the case of particular events affecting or likely to affect BNP Paribas, the heads of the control functions can report directly to the Board and, as the case may be, to its committees, to express their concerns without referring to the actual managers.

The individuals specified in point 3.3 are subject to the same rules of ethics, confidentiality and professional conduct as the directors.

## 3.4. ACCESS TO INFORMATION

### 3.4.1. Information and documentation

For the purpose of efficiently participating in the Board of directors' meetings and making enlightened decisions, each director may ask that the Chairman or the Chief Executive Officer communicates to him all documents and information necessary to perform his duties, if these documents are useful for making decisions and are related to the Board of directors' powers.

Requests are sent to the Secretary of the Board of directors who informs the Chairman thereof.

When the Secretary of the Board of directors considers this preferable, for reasons of convenience or confidentiality, the documents thus placed at the disposal of the directors as well as of any person attending the meetings of the Board are consulted through the Secretary of the Board or through the competent employee of the Group.

### 3.4.2. Systems

The placing at disposal of the directors or of any person attending the Board meetings of all of the documentation with a view to meetings of the Board, may be done by any means, including dematerialised. In this case, all the measures of protection considered necessary are taken to protect the confidentiality, the integrity and the availability of the information and each member of the Board or any person who has received the documentation is responsible not only for the systems and media thus placed at disposal but also for their access.

### 3.5. Training, individual and collective skills

The directors of BNP Paribas possess, both individually and collectively, the expertise, experience, skills, understanding and personal qualities necessary, notably in terms of professionalism and integrity, to properly perform their duties in connection with each of the significant activities of BNP Paribas and guaranteeing efficient governance and supervision.

The directors shall ensure that their knowledge is kept updated in compliance with the Policy on the suitability of Members of the management body and Key function holders.

The directors representing employees and the director representing employee shareholders are given time dedicated to training determined by the Board in accordance with the regulations in force. At the end of the training, the training centre chosen by the Board must issue a certificate of regular attendance, which the director must remit to the Secretary of the Board.

## ARTICLE 4. OBLIGATIONS

### 4.1. HOLDING AND KEEPING OF BNP PARIBAS SHARES

Every director appointed by the General Shareholders' Meeting must personally hold 1,000 shares. The director must hold all of the shares within twelve months of his appointment. At the expiry of this period, every director concerned shall make sure to keep the minimum number of BNP Paribas' shares throughout his term of office.

The directors undertake not to engage in any individual hedging or insurance strategies to cover their risk on such shares.

This obligation does not concern directors representing employees and director representing employee shareholders.

### 4.2. ETHICS – CONFIDENTIALITY

#### 4.2.1. Ethics

##### 4.2.1.1. Availability and regular attendance

The members of the Board of directors shall devote the time and the effort necessary to carry out their duties and responsibilities, in compliance with the Policy on the suitability of Members of the management body and Key function holders.

The directors representing employees and the director representing employee shareholders are given a preparation time determined by the Board in accordance with the Guidelines on the assessment of the suitability of Members of the management body and Key function holders.

##### 4.2.1.2. Independence and loyalty

Every member of the Board of directors shall at all times maintain his or her independence of mind, in compliance with the Policy on the suitability of Members of the management body and Key function holders.

He shall act with loyalty towards the other directors, shareholders and BNP Paribas.

He shall refuse any benefit or service liable to compromise his independence.

##### 4.2.1.3. Duty of vigilance

Every member of the Board of directors is bound by a duty of vigilance with respect to the keeping, use and, as the case may be, the return of the systems, documents and information placed at disposal.

#### 4.2.2. Confidentiality

Any director and any person participating in the work of the Board is bound by an obligation of absolute confidentiality about the content of the discussions and decisions of the Board and of its committees as well as the information and documents which are presented therein or which are provided to them, in any form whatsoever.

Except as provided by law, he is prohibited from communicating to any person outside of the Board of directors any information that has not been made public by BNP Paribas.

### 4.3. ETHICAL CONDUCT – LIMITATION ON DIRECTORSHIPS – CONFLICTS OF INTERESTS – PERSONAL DECLARATIONS

#### 4.3.1. Ethical conduct

If directors have any questions related to ethical conduct, they may consult the head of the Group Compliance Function.

The legislation relating to insider trading applies particularly to directors both in a personal capacity and when carrying out their duties within companies that hold shares in BNP Paribas. They are required, in particular, to respect the legal requirements governing the definition, communication and exploitation of privileged information, the principal provisions of which are communicated to them when they take directorship.

Directors can only deal in securities of BNP Paribas on a personal basis during the period of six-weeks beginning on the day after the publication of the quarterly and annual financial statements, or after the publication of a press release on the Company's running, unless they are in possession during that period of information that puts them in the position of an insider with respect to the stock exchange regulations.

Directors shall refrain from any transactions that could be considered as speculative, and in particular from leveraged purchases or short sales, or short-term trading.

The director as well as the persons with close connections with him are under the obligation to declare to the French Financial Markets Authority (*Autorité des marchés financiers* – AMF), which ensures the publication thereof, and to BNP Paribas the transactions that they execute in BNP Paribas shares and the financial instruments related thereto.

#### 4.3.2. Limitation on directorships

The director complies with the statutory and regulatory provisions which are applicable to him or her, or which are applicable to BNP Paribas, concerning limitation on directorships, as well as the Policy on the suitability of Members of the management body and Key function holders.

#### 4.3.3. Conflicts of interests

The director complies with the applicable statutory and regulatory provisions regarding conflicts of interests – in particular the so-called "related-party agreements" (*conventions réglementées*) regime as well as with the Policy on the suitability of Members of the management body and Key function holders.

Whatever the circumstances, in the event of breach of the obligations with respect to conflict of interests by a director, the Chairman of the Board of directors shall take all the statutory measures necessary in order to remedy it. He can, furthermore, keep the relevant regulators informed of such acts.

#### 4.3.4. Personal declarations

The director undertakes to inform the Secretary of the Board as soon as possible of any change in his personal situation (change of address, appointment, directorships, duties carried out, or criminal, civil, or administrative convictions, etc.).

In particular, and in compliance with the Policy on the suitability of Members of the management body and Key function holders, the director shall inform, as soon as possible, the Chairman of the Board of directors of any criminal or civil conviction, management prohibition, administrative or disciplinary sanction, or measure of exclusion from a professional organisation, as well as any proceedings liable to entail such sanctions against him or her, any dismissal for professional misconduct, or any dismissal from a directorship of which he or she may be the subject. Similarly, the director informs the Chairman of the Board of directors of any criminal or civil order entered against it, administrative or disciplinary sanction or measure of exclusion from a professional organisation, as well as of any Court-ordered reorganisation or liquidation measure of which a company of which he is the manager, shareholder or partner is the subject or would be liable to be the subject.

### ARTICLE 5. REMUNERATION OF DIRECTORS AND NON-VOTING DIRECTORS (CENSEURS)

The overall amount of remuneration given to the directors is determined by the General Shareholders' Meeting.

The individual amount of remuneration given to directors is determined by the Board of directors pursuant to a proposal by the remuneration Committee. It comprises a predominant variable portion based on actual participation in meetings, regardless of the means. Directors residing abroad receive an increased amount, except where they may participate in meetings of the Board of directors by videoconference or telecommunications means.

Actual participation in the committees entitles committee members to an additional remuneration, the amount of which may differ depending on the committees. Committee members receive this additional remuneration for their participation in each different Committee. The Chairmen of Committees also receive an additional remuneration.

The remuneration of the non-voting directors is determined by the Board of directors pursuant to a proposal of the Remuneration Committee.

## PART THREE – THE BOARD OF DIRECTORS' SPECIALISED COMMITTEES

To facilitate the performance of their duties by BNP Paribas' directors, specialised committees are created within the Board of directors.

### ARTICLE 6. COMMON PROVISIONS

#### 6.1. COMPOSITION AND SKILLS

They consist of members of the Board of directors who do not carry out management duties within the Company. They include the required number of members who meet the criteria required to qualify as independent, as recommended by the Afep-Medef Code. The members of the committees have the knowledge and skills suited to carry out of the missions of the committees in which they participate.

The remunerations Committee includes at least one director representing the employees.

Their remits do not reduce or limit the powers of the Board of directors.

The Chairman of the Board of directors sees to it that the number, missions, composition, and functioning of the committees are adapted at all times to the statutory and regulatory provisions, to the Board of directors' needs and to the best corporate governance practices.

By decision of the Board, the internal control, Risk management and compliance Committee (CCIRC), the remunerations Committee (RemCo), the corporate Governance, ethics, nominations and CSR Committee (CGEN) may, in accordance with the provisions of Article L. 511-91 of the French Monetary and Financial Code (*Code monétaire et financier*) ensure their missions for the companies of the Group under the supervision of the regulator on a consolidated or sub-consolidated basis.

#### 6.2. MEETINGS

The committees shall meet as often as necessary.

#### 6.3. MEANS PLACED AT THE DISPOSAL OF THE COMMITTEES

They may call upon outside experts when needed.

The Chairman of a Committee may ask to hear any officer within the Group, regarding issues falling within this Committee's jurisdiction, as defined in the present Internal rules.

The Secretary of the Board prepares all of the documents necessary to the meetings of the specialised committees and organises the placing of the documentation at the disposal of the directors and other participants in the meetings.

This documentation can be placed at disposal by any means, including dematerialised. In this case, all the measures of protection considered necessary are taken for the purposes of protecting the confidentiality, integrity and the availability of the information and each member of the specialised Committee concerned or any person who has received the documentation is responsible not only for the systems and media and their provision but also for their access.

#### 6.4. OPINIONS AND MINUTES

They express opinions intended for the Board of directors. The Chairmen of committees, or in case of their impediment another member of the same committee, present a verbal summary of their work at the next Board of directors' meeting.

Written reports of committees' meetings are prepared by the Secretary of the Board and communicated, after approval at a subsequent meeting, to the directors who so request.

### ARTICLE 7. THE FINANCIAL STATEMENTS COMMITTEE

#### 7.1. MISSIONS

In accordance with the provisions of the French Commercial Code, the Committee ensures the monitoring of the issues concerning the preparation and verification of the accounting and financial information.

##### 7.1.1. Monitoring of the process of preparation of the financial information

The Committee is tasked with analysing the quarterly, half-yearly and annual financial statements issued by the Company in connection with the closing of financial statements and obtaining further explanations of certain items prior to presentation of the financial statements to the Board of directors.

The Committee shall examine all matters relating to these accounts and financial statements: the choices of accounting principles and policies, provisions, analytical results, prudential standards, profitability indicators, and all other accounting matters that raise methodological issues or are liable to give rise to potential risks.

It makes, as the case may be, recommendations, in order to ensure integrity of the elaboration process of the financial information.

### **7.1.2. Monitoring of the efficiency of the internal control systems and of risk management concerning accounting and financial matters**

The Committee shall analyse, at least twice a year, the summary of the operations and the results of the internal accounting and financial control, as well as those originate from controls on the elaboration process and the processing of accounting, financial and extra-financial information, based on the information communicated to it by the Executive Management. It shall be briefed of incidents revealed by the accounting and financial internal control, reported on the basis of the thresholds and criteria defined by the Board of directors and shall report on its findings to the Board of directors.

It is informed by the Chairman of the Board of directors of any possible failure to implement corrective measures decided within the framework of the accounting and financial internal control system that has been brought to his direct knowledge by the head of periodic control and reports on its findings to the Board of directors.

### **7.1.3. Monitoring of the statutory auditing of the annual financial statements and of the consolidated financial statements by the Statutory Auditors as well as of the independence of the Statutory Auditors**

The Committee shall steer the procedure for selection of the Statutory Auditors, express an opinion on the amount of fees charged for conducting the legal auditing engagements and report to the Board of directors on the outcome of this selection process.

It shall review the Statutory Auditors' audit plan, together with their recommendations and their monitoring.

It shall be notified on a yearly basis of the amount and breakdown of the fees paid by the BNP Paribas Group to the Statutory Auditors and the networks to which they belong, calculated using a model approved by the Committee. It shall ensure that the amount or the portion of the audit firms or the networks' revenues that BNP Paribas represents is not likely to compromise the Statutory Auditors' independence.

Its prior approval shall be required for any engagement entailing total fees of over EUR 1 million (before tax). The Committee shall approve, *a posteriori*, all other engagements, based on submissions from the Finance Department. The Committee shall validate the Finance Department's fast-track approval and control procedure for all "non-audit" engagements entailing fees of over EUR 50,000. The Committee shall receive, on a yearly basis from the Finance Department, a report on all "non-audit" engagements carried out by the networks to which the Group's Statutory Auditors belong.

It receives from the Statutory Auditors a written report on their main observations concerning the weaknesses of internal control and reviews it, as well as most significant recommendations issued in the framework of their mission and reviews it. It takes notes of the most significant statements and recommendations issued by the internal audit in the framework of their missions regarding accounting and financial information.

Each Statutory Auditor shall report on a yearly basis to the Committee on its internal control system for guaranteeing its independence, and shall provide a written statement of its independence in auditing the Group.

The Committee accounts for the statements and conclusions of the *Haut Conseil des Commissaires aux comptes* (H3C) resulting from the controls provided by the H3C in the professional activity of Statutory Auditors.

At least twice a year, the Committee shall devote part of a meeting to a discussion with the team of Statutory Auditors, without any member of the company's Executive Management being present.

The Committee meets in the presence of the team of Statutory Auditors, to review quarterly, half-yearly and annual financial statements.

However, the Statutory Auditors shall not attend all or part of Committee meetings dealing with their fees or their re-appointment.

The Statutory Auditors shall not attend all or part of Committee meetings dealing with specific issues that concern a member of their staff.

Except in the event of exceptional circumstances, the files containing the quarterly, half-yearly and annual results and financial statements shall be sent to Committee members at least three days prior to the Committee meetings.

Where questions of interpretation of accounting principles arise in connection with quarterly, half-yearly and annual results, and involve choices with a significant impact, the Statutory Auditors and FINANCE shall submit, on a quarterly basis, a memorandum to the Committee analysing the nature and significance of the issues at play, presenting the pros and cons of the various possible solutions and explaining the rationale for the choices ultimately made.

They present, at least twice a year, a note on the works on certification of the financial statements. Based on it, the Committee reports to the Board on the results of this mission and on the way this mission has contributed to the integrity of the financial information and on his own role in it.

## **7.2. CHAIRMAN'S REPORT**

The Committee shall review that part of the draft of the Chairman's report on internal control procedures relating to the preparation and processing of accounting and financial information.

## **7.3. HEARINGS**

With regard to all issues falling within its jurisdiction, the Committee may, at its initiative, hear the heads of finances and accounting of the Group, as well as the head of Asset/liability management.

The Committee may ask to hear the head of Finances Group with regard to any issue within its jurisdiction, for which he may be held liable, or the Company's management may be held liable, or that could call into question the quality of accounting and financial information disclosed by the Company.

## **ARTICLE 8. THE INTERNAL CONTROL, RISK MANAGEMENT AND COMPLIANCE COMMITTEE**

### **8.1. MISSIONS**

#### **8.1.1. Missions concerning the global risk strategy**

The Committee advises the Board of directors on the adequacy of the global strategy of the Company and the overall current and future risk appetite. It assists the Board of directors when the latter verifies the implementation of this strategy by the actual managers and by the Head of risk management.



For this purpose, the Committee examines the key orientations of the Group's risk policy, including social and environmental orientations, based on measurements of the risk and profitability of the operations reported to it, in accordance with the regulations in force, as well as any specific issues related to these matters and methods.

In the event that a global risk limit is exceeded, a procedure to refer the matter to the Board of directors is provided for: the Executive Management informs the Chairman of the Committee, who can decide to convene the Committee or to request the convening of the Board of directors.

#### **8.1.2. Missions concerning the examination of the prices of the products and services proposed to customers**

In the framework of its mission and according to the terms it shall define, the Committee examines whether the prices of the products and services proposed to customers are compatible with the risk strategy. Where prices do not properly reflect the risks, it presents to the Board of directors an action plan to remedy this.

#### **8.1.3. Missions concerning remuneration**

Without prejudice to the missions of the remunerations Committee, the Risk committee examines whether the incentives provided for by the policy and the remuneration practices of the Company are compatible with its situation with respect to the risks to which it is exposed, its capital, its liquidity and the probability and the spreading over time of the expected profits.

To carry out this mission, the Chairman of the Committee shall attend the Remunerations Committee's meeting and presents to it the position upheld.

#### **8.1.4. Missions concerning internal control and compliance**

The Committee also reviews all compliance-related issues, particularly those in the areas of reputation risk or professional ethics.

The Committee analyses the risk measurement and monitoring report. Twice a year it examines the internal control operations and findings (excluding accounting and financial internal control, which is the responsibility of the Financial Statements Committee) based on the information provided to it by Executive Management and the reports presented to it by the heads of permanent control, compliance and periodic controls. It reviews the Company's exchanges of correspondence with the Secretariat General of the Prudential Control and Resolution Authority (*Autorité de contrôle prudentiel et de résolution - ACPR*).

The Committee is briefed on incidents revealed by internal control that are reported on the basis of the thresholds and criteria defined by the Board of directors and reports on its findings to the Board of directors.

It analyses the status of recommendations made by the General Inspection unit that were not implemented. It is informed by the Chairman of the Board of directors of any possible failure to implement corrective measures decided within the framework of the internal control, of which it would have been informed directly by the head of periodic control and reports on its findings to the Board of directors.

### **8.2. HEARINGS**

It proceeds with the hearing, excluding the presence of the Executive Management, of the heads of the Group control functions (General Inspection, Compliance, RISK and LEGAL).

It presents the Board of directors with its assessment concerning the methods and procedures employed.

It expresses its opinion concerning the way these functions are organised within the Group and is kept informed of their work programme.

### **8.3. ACCESS TO THE INFORMATION**

The Committee has all the information about the situation of the Company with respect to risks. It may, if this is necessary, use the services of the Head of risk management or of outside experts.

### **8.4. MEETINGS COMMON TO THE FINANCIAL STATEMENTS COMMITTEE AND THE INTERNAL CONTROL, RISK MANAGEMENT AND COMPLIANCE COMMITTEE**

The financial statements Committee and the internal control, risk management and compliance Committee shall meet at the request of the Chairman of the Internal control, risk management and compliance Committee, or at the request of the Chairman of the financial statements Committee or at the request of the Chairman of the Board of directors.

In that context, the members of these committees:

- shall be briefed of the mission plan of the General Inspection and of the audit plan of the Statutory Auditors and shall prepare the work of the Board of directors in assessing the risk policies and management systems;
- deal with common subjects concerning the risks and financial impacts policy (including provisioning). They carry out, in particular, a systematic review of the risks that can in the future have a significant impact on the financial statements.

This meeting shall be chaired by the Chairman of the financial statements Committee.

## **ARTICLE 9. THE CORPORATE GOVERNANCE, ETHICS, NOMINATIONS AND CSR COMMITTEE**

### **9.1. MISSIONS CONCERNING CORPORATE GOVERNANCE**

The Committee is tasked with monitoring corporate governance issues. Its role is to help the Board of directors to adapt corporate governance practices within BNP Paribas and to assess its functioning.

It ensures the follows up on a regular basis of the evolution in the governance disciplines at the global, European and national levels. At least once a year, it presents a summary thereon to the Board of directors. It selects measures that are suitable for the Group and which are likely to bring its procedures, organisation and conduct in line with best practice in this area.

It examines the draft report on corporate governance and all other documents required by applicable laws and regulations.

The Committee is in charge of the follow up of questions related to the social and environmental responsibility ("CSR"). For this purpose, it handles more specifically the Group's contribution to sustainable economic development, in particular by an ethical financing of the economy, by promoting the development and the commitment of the employees, by the protection of the environment and the fight against climate change, as well as the positive impact of the Group in the society.

### **9.2. CODE OF CONDUCT**

The Committee carries out regular monitoring of the update of BNP Paribas Group's Code of conduct.

### 9.3. MISSIONS CONCERNING THE IDENTIFICATION OF, SELECTION OF, AND SUCCESSION PLAN FOR DIRECTORS, COMMITTEE MEMBERS, AND NON-VOTING DIRECTORS (CENSEURS)

For the identification of, selection of, and succession plan for the directors, the Committee applies the principles and procedure described in the Policy on the suitability of Members of the management body and Key function holders. The Committee regularly reviews this policy and proposes any amendments it deems advisable to the Board of directors.

The Committee sets an objective to achieve with respect to gender balance on the Board of directors. It draws up a policy aimed at achieving this objective. This objective and this policy, once set, are approved by the Board of directors.

As the case may be, the Committee proposes to the Board of directors the appointment of the non-voting directors.

### 9.4. MISSIONS CONCERNING THE ASSESSMENT OF THE BOARD OF DIRECTORS

The Committee assesses periodically, and at least once a year, the balance and diversity of the Board in compliance with the Policy on the suitability of Members of the management body and Key function holders.

Furthermore, an assessment of the Board of directors is made by a firm of external expert advisors every three years.

### 9.5. MISSIONS CONCERNING THE SELECTION OF, APPOINTMENT OF, AND SUCCESSION PLAN FOR THE CHAIRMAN, MEMBERS OF EXECUTIVE MANAGEMENT, AND KEY FUNCTION HOLDERS

The Committee periodically examines the Policy on the suitability of Members of the management body and Key function holders regarding the selection of, appointment of, and succession plan for the executive officers, the Chief Operating Officer(s), the Chairman, and the Key function holders as defined in this Policy, and makes recommendations in the matter.

The Committee contributes to the selection and appointment of, as well as the establishment of succession plans for, the Chairman and members of the Executive Management, pursuant to the Policy on the suitability of Members of the management body and Key function holders.

With regard to the key function holders, it ensures that the Policy on the suitability of Members of the Management body and Key function holders is applied by Executive Management.

### 9.6. MISSIONS CONCERNING THE ASSESSMENT OF THE CHAIRMAN, CHIEF EXECUTIVE OFFICER, AND CHIEF OPERATING OFFICER(S)

The Committee assesses the action of the Chairman.

It makes an assessment of the performance of the Chief Executive Officer and of the Chief Operating Officer(s) in the light of the strategic directions of the business established by the Board of directors and taking into consideration their capacities for anticipation, decision, organisation and exemplarity.

### 9.7. MISSIONS CONCERNING THE INDEPENDENCE OF THE DIRECTORS

The Committee is tasked with assessing the independence of the directors, within the meaning of the Afep-Medef Code, and reporting its findings to the Board of directors.

### 9.8. MISSIONS CONCERNING THE GENERAL BALANCE OF THE BOARD OF DIRECTORS

The Committee ensures that the Board of directors is not dominated by one person or, a small group of persons in a manner that is detrimental to the interests of the Company. For this purpose, it applies the Policy on the suitability of Members of the management body and Key function holders.

## ARTICLE 10. THE REMUNERATION COMMITTEE

The Committee prepares the decisions that the Board of directors approves concerning remuneration, in particular that which has an effect on risk and the management of risks.

The Committee makes an annual examination:

- of the principles of the remuneration policy of the Company;
- of the remuneration, allowances and benefits of any kind granted to the directors and corporate officers of the Company;
- of the remuneration policies of the categories of staff, including the executive managers, risk takers, and staff engaged in control functions and any employee, who given his overall income, is in the same remuneration bracket as those whose professional activities have a material impact on the risk profile of the Company or of the Group.

The Committee directly controls the remuneration of the Head of RISK and of the Head of Compliance.

Within the framework of the missions described above, the Committee prepares the work of the Board of directors on the principles of the remuneration policies, in particular concerning Group staff whose professional activities have a material impact on the Group's risk profile, in accordance with the regulations in force.

It is tasked with studying all issues related to the personal status of the directors and corporate officers, and in particular the remuneration, the amount of retirement benefits and the allotment of subscription or purchase options to the Company's shares, as well as the provisions governing the departure of the members of the Company's management or representational bodies.

It examines the conditions, the amount and the distribution of the subscription or purchase stock option plans. Similarly, it examines the conditions for the allotment of free shares.

With the Chairman, it is also within its remit to assist the Chief Executive Officer with any matter relating to the remuneration of senior executives that the latter might submit to it.

## GUIDELINES ON THE ASSESSMENT OF THE SUITABILITY OF MEMBERS OF THE MANAGEMENT BODY AND KEY FUNCTION HOLDERS

### I. Background and definitions

#### a. Background

The purpose of the Policy on the suitability of Members of the management body and Key function holders is, while complying with the legal and regulatory provisions applicable to the Company, to specify and detail the procedures for implementing the provisions of the Internal rules and of the regulations applicable to BNP Paribas in the French Monetary and Financial Code (hereinafter "CoMoFi"), the European Banking Authority ("EBA") Guidelines on the assessment of the suitability of members of the management body and key function holders (the "Fit and Proper Guidelines") for which the revision has been published on 2 July 2021, and on Internal Governance, from the comply or explain process (defined below).

Pursuant to these provisions, these guidelines cover the following topics:

- II. Identification of, selection of, and succession plan for Members of the management body and Key function holders:
  - a. Identification of, selection of, and succession plan for directors,
  - b. Identification of, selection of, and succession plan for the Chief Executive Officer and Chief Operating Officer(s),
  - c. Identification of, selection of, and succession plan for Key function holders;
- III. Independence of mind and management of conflicts of interest of the Members of the management body:
  - a. General principles,
  - b. Cases of conflicts of interests,
  - c. Management of conflicts of interests;
- IV. Compliance with the rules on limitation of directorships and on availability of the Members of the management body:
  - a. Compliance with rules when appointing a Member of the management body,
  - b. Compliance with rules while holding directorship as a Member of the management body;
- V. Good repute, honesty, and integrity of the Members of the management body;
- VI. Diversity of the Members of the management body and collective competence of the Board of directors;
- VII. Induction and training of the Members of the management body.

These guidelines are approved by the Board of directors. Updates shall also be submitted for approval to the Board of directors.

#### b. Definitions

**Members of the management body** means the directors, the Chief Executive Officer, and the Chief Operating Officer(s).

**Key function holders** means, for the purposes of the Fit and Proper Guidelines, the Chief Financial Officer, the Head of Compliance, the Head of RISK and the Head of the General Inspection, the Head of LEGAL, the Head of Human Resources, and the individuals to whom the Company has decided to confer the title of Deputy Chief Operating Officers.

**Fit and Proper** means the assessment conducted by BNP Paribas on the collective suitability of the Board and of the relevant individuals with regard to the following criteria:

- knowledge, skills and experience;
- good repute, honesty, and integrity;
- independence of mind;
- compliance with the rules on limitation of directorships and on availability.

**Comply or explain process** means the procedure in the Single Supervisory Mechanism by virtue of which the European Central Bank ("ECB") and the competent national authorities announce their intention to comply, fully, partially, or not at all, with the guidelines issued by that authority.

**Company** means BNP Paribas.

**CGEN** means the Governance, Ethics, Nominations and CSR Committee of BNP Paribas.

**SCA** means the Secretariat of the Board of directors of BNP Paribas.

### II. Identification of, selection of, and succession plan for Members of the management body and Key function holders

#### a. Identification of, selection of, and succession plan for directors

The CGEN is tasked with the identification of the persons that are likely to be appointed as directors, regardless of their role on the Board of directors, to establish and to maintain at all times a list of these persons, which will be periodically monitored by the CGEN, without precisely determining the circumstances requiring their nomination to the Board of directors.

#### *Identification by the CGEN of the persons likely to be appointed as directors*

The CGEN shall identify and recommend to the Board of directors candidates suitable for the non-executive directorship of director, with a view to proposing their candidacy to the General Meeting. In the determination of the potential candidates, the CGEN assesses the balance of skills, experience, diversity, as well as the integrity and the capacity of understanding the stakes and the risks, both personal and collective, of the members of the Board. It ensures, furthermore, that the candidates are able to act objectively, critically and independently, notably with respect to other directorships they hold, that they have the courage necessary to express their thoughts and their judgements, sufficient availability to have a strong commitment in their duties and the objectivity indispensable for their directorship and, lastly, the desire to protect the interests of the Company and ensure its proper running.

The CGEN specifies the missions and the necessary qualifications for the duties to be carried out within the Board of directors and calculates the time to be devoted to such duties.

For the purposes of identifying the candidate, the CGEN,

- on the one hand, mandates, if it wishes so, one or several specialised agencies in the research for independent directors with the meaning of the provisions provided in Afep-Medef Code; this or these specialised agencies are selected further to a tender organised in coordination with the SCA;
- on the other hand gathers inputs on this from other Board members.

Upon receipt of a proposal, the CGEN conducts a careful examination of the provisions of these guidelines as well as on the following criteria based on both personal and collective skills:

- knowledge and skill in requested areas, based on experience and the ability to understand the issues and risks of key activities for the Bank, including social and environmental issues as well as money laundering and terrorism financing related risks, enabling directors to make informed and effective decisions;
- courage, in particular to express opinions and make judgments, enabling directors to remain objective and independent;
- availability, *i.e.* sufficient time for the director to dedicate to his directorship and related training, and the assiduity, which allow the necessary hindsight and promote the director's commitment and sense of responsibility regarding the exercise of their directorship;
- loyalty, which fosters the director's commitment to the Company and to their duties within the Board, which collectively represents the shareholders;
- director's proper understanding of the Company's culture and ethics;
- good repute and propriety: a person should not be considered of good repute and meeting the propriety criterion if his or her personal or business conduct gives rise to any material doubt about his or her ability to ensure his or her directorship as independent director, and if, more specifically, he or she is personally involved in a money laundering or terrorism financing operation or attempt.

The CGEN ensures the regular updating of the list of persons that are likely to be selected, and, once a year, reports to the Board the work performed in order to identify the persons that are likely to be appointed directors so that the Board can deliberate on it.

As appropriate, the CGEN shall identify those individuals likely to be selected for the non-executive directorship of Chairman in consideration of the criteria set out above.

#### *Selection by the Board of directors of the persons likely to become members of the Board*

When the Board has to decide the appointment of a new member, the CGEN decides upon the submission of the candidacy to the Board in order, if the Board decides so, to propose such candidacy to the General Meeting. First, it shall communicate to the Chairman of the Board the name of the person who is likely to be appointed setting out the reasons for its proposal. The Chairman of the Board of directors contacts the relevant person and, in the case of an agreement with this person, asked the SCA to review the situation of the person in accordance with the above provisions. The Chairman of the CGEN and the Chairman of the Board met potential candidates.

A candidate for the non-executive directorship of Chairman of the Board of directors is submitted to the Chairman of CGEN so that this latter may contact the relevant candidate.

If the review and interview regarding the duties of both director and Chairman of the Board of directors are deemed to be satisfactory, the CGEN can then propose to the Board of directors to adopt the proposal for the submission of the candidacy.

The SCA can ask the candidates for any document required for its review, which it will retain pursuant to legal and regulatory provisions on personal data.

For specialised committees, the CGEN makes recommendations to the Board of directors on the appointment of the members in cooperation with the Chairman of the relevant Committee, and of the Chairmen of the Committees when they are to be renewed.

#### *Succession plan for directors and review of the composition of the Board*

The CGEN is responsible for examining the provisions allowing for the succession of the directors as well as, where applicable, the Chairman.

Once a year, the SCA, under the responsibility of the CGEN, reviews the composition of the Board of directors in accordance with the provisions relating to the identification of persons likely to become members of the Board of directors. The CGEN presents to the Board of directors the outcome of such review, which is subject to Board's deliberation.

#### **b. Identification of, selection of, and succession plan for the Chief Executive Officer and Chief Operating Officer(s)**

The Board of directors appoints the Chief Executive Officer and, on the recommendation of the latter, the Chief Operating Officer(s), and sets any limits to their powers.

For this purpose, acting jointly with the Chairman, the CGEN puts forward recommendations for the selection of the Chief Executive Officer for consideration by the Board, and, acting on recommendation of the Chief Executive Officer, it puts forward recommendations for the selection of the Chief Operating Officer(s). The CGEN ensures, at the time of identifying and putting forward recommendations for the Chief Operating Officer position(s), upon proposal from the Chief Executive Officer and where applicable with the support of the Company's Human Resources, that there is a gender balance and guarantees the presence of at least one woman and one man until the end of the selection process.

To identify the candidate, the CGEN conducts a careful examination of his or her candidacy in consideration of the provisions of this policy as well as the following criteria:

- knowledge and skill in requested areas, based on experience and ability to understand the issues and risks of key activities for the Bank, including social and environmental issues as well as money laundering and terrorism financing related risks, enabling them to make informed and effective decisions;
- courage, in particular to express opinions and make judgements, enabling directors to remain objective and independent;
- availability, *i.e.* the sufficient time which the Chief Executive Officer and Chief Operating Officer(s) must dedicate to their duties and to the relevant training;
- loyalty, which fosters the commitment of the Chief Executive Officer and the Chief Operating Officer(s) to the Company and its shareholders;
- good repute and propriety: a person shall not be considered of good repute or meeting the propriety criterion if his or her personal or business conduct gives rise to any material doubt about his or her suitability as Chief Executive Officer or Chief Operating Officer, as the case may be, and if, more specifically, he or she is personally involved in a money laundering or terrorism financing operation or attempt.

The SCA can ask the candidate or the Company, as the case may be, for any document required for its review, which it shall retain pursuant to the legal and regulatory provisions on personal data.

It is also responsible for examining the provisions allowing the succession of the Chief Executive Officer and Chief Operating Officer(s).

### c. Identification and appointment of the Key function holders

The CGEN ensures that in the identification and appointment of the Key function holders by Executive Management, with the support of the Company's Human Resources, as the case may be, the following are considered:

- skills, qualification, and experience;
- and good repute, honesty, and integrity, taking particular care to ensure that the concerned person is not personally involved in a money laundering or terrorism financing operation or attempt.

## III. Independence of mind and management of conflicts of interest of the Members of the management body

In consideration of the so-called "related-party agreements" regime in articles L.225-38 *et seq.* of the French Commercial Code, provisions regarding independence of mind and conflicts of interest set out in section 9 of the Fit and Proper Guidelines and Principle 3 of the Guidelines on Corporate governance principles for banks, published in July 2015 by the Basel Committee on Banking Supervision, and with the objective to embrace the best practices observed in the governance area, the aim of this section is to (i) recall the general principles applied to ensure the independence of mind of every Member of the management body, (ii) define the situations of conflicts of interest to which directors may face in light of the various activities that the Group conducts and which could be in competition with the interests of the concerned director, shall it be directly or indirectly, and (iii) provide details, in case such conflict of interest occurs, concerning the necessary measures to be adopted in order to take the situation into account and handle it in an appropriate manner.

### a. General principles

Every Member of the management body shall at all times maintain his or her independence of mind, analysis, assessment, decision, and action so as to be able to issue opinions and make decisions in an informed, judicious and objective manner. For this purpose, the Member of the management body shall respect both the legal and regulatory provisions applicable to conflicts of interest – specifically the so-called "related-party" agreements – and the provisions below on the measures to be adopted in recognizing conflicts of interest and managing them appropriately.

More specifically, the Members of the management body shall refuse any benefit or service liable to compromise their independence, and undertake to avoid any conflict of interest (as described below).

Each member of the Board of directors shall freely express his or her positions, possibly minority positions, about the subjects discussed in the meetings of the Board or specialised committee.

It is recalled that any conflict of interest may question the fact that a director qualifies as an independent director according to the provisions of the Afep-Medef Code.

### b. Cases of conflicts of interests

Besides the so-called "*conventions réglementées*" regime provided for by articles L.225-38 and *subseq.* of the French Commercial Code, the following situations may give rise to conflicts of interest:

- a) each agreement entered into directly, or through an intermediary person<sup>(1)</sup>, between a company that BNP Paribas controls within the meaning of article L.233-16 of the French Commercial Code and one of the Members of the Company's management body;
- b) each agreement to which one of the Members of the Company's management body is indirectly interested, meaning that without being directly party to the said agreement entered into by one of the companies controlled by the Company within the meaning of article L.233-16 of the French Commercial Code, the Member of the management body benefits in a way or another from the agreement;
- c) each agreement entered into between one of the companies controlled by the Company, within the meaning of article L.233-16 of the French Commercial Code, and a company owned by a Member of the Company's management body or of which such director is also an owner, general partner, manager, director, Member of the Supervisory Board or, generally, in a senior manager of this company;
- d) each situation where Members of the management body are or might be, in relation with the exercise of his or her non-executive directorship, the recipient of privileged information (i) concerning a company in which he or she is an executive director within the meaning of c) or in which he or she exercises a function or holds interests whatever, or (ii) concerning the Company or one of the companies under its control within the meaning of article L.233-16 of the French Commercial Code which may be interests concerning the activity of a company in which he or she is an executive director within the meaning of c) or in which he or she exercises a function or holds interests whatever they may be;
- e) each situation where the Member of the management body could take part to a Board meeting to which would be interested any person with whom he or she has family or professional links, or tight relations;
- f) the undertaking of a new directorship whether in a listed or unlisted entity, French or foreign, not belonging to a group of which he is a manager, or any participation in the specialised Committee of a corporate body or any other new directorship<sup>(2)</sup>;
- g) each currently valid commitment made under directorship previously held in France or abroad (*e.g.* a non-competition clause);
- h) more generally, each situation that may constitute a conflict of interest between the Member of the management body and the Company or one of its subsidiaries within the meaning of article L.233-16 of the French Commercial Code.

(1) The interposition of an intermediary corresponds to a situation in which the Member of the management body is the ultimate real beneficiary of the agreement between one of the companies that BNP Paribas controls and the co-contracting party of that controlled company.

(2) This includes those of a political nature.

### c. Management of conflicts of interests

The assessment of current agreements is subject to a separate procedure by the Board of directors entitled "Implementation procedure for conflicts of interest in relation to loans and other transactions granted to the members of the management body and their related parties".

#### *Situations covered by the "related-party agreements" regime*

The Members of the management body acknowledge having read and understood the related-party agreement regime and the obligations resulting from such regime.

#### *Other situations*

If one of the situations described in a) through e) or g) or h) above should occur, the Member of the management body shall immediately inform the Chairman of the Board of directors, who shall in turn inform the CGEN so that the latter, based on the analysis of the presented situation, may give an opinion which may consist of one or more measures described in the following paragraph. This opinion is then submitted to the Board of directors and, if followed by the said Board, is notified by the Chairman of the Board, to the concerned director. The decision of the Board of directors will be included in the minutes of the meeting.

More specifically, if one of the situations described in a) through e) or g) or h) above should occur during a Board of directors meeting or one of its Committees, and without prejudice to the application of the preceding paragraph, the Board of directors or the Committee, as the case may be, shall immediately determine the measures to be taken, which may take different forms including the fact the concerned director or Committee would not participate to the debate or the votes, would not receive the information on the issue that gives or may give rise to a conflict of interest, or even would have to leave the meeting of the Board or the Committee during the discussion of the concerned issue. The minutes of the Board or the Committee includes the measures adopted.

If the situation covered in f) above should occur, he or she shall inform the Chairman of the Board of directors of his or her intention to accept (i) a new directorship, whether in a listed or unlisted, French or foreign entity that does not belong to a group of which he or she is an executive director, or (ii) each participation in the specialised committees of a corporate body, or (iii) any other new directorship, such that the Board of directors, on the recommendation of the CGEN, may decide on the compatibility of such an appointment with the non-executive directorship of a Member of the management body in the Company. If necessary, the provisions on limitation of directorships and on the availability of Members of the management body set forth below shall be applied *mutatis mutandis*.

In any case, if the Board considers that the relevant Member of the management body is no longer able to perform his or her duties therein because of a conflict of interest, he or she shall resign.

More generally, in the event of a breach of obligations with respect to conflicts of interest by a Member of the management body, the Chairman of the Board of directors shall take all legal measures required to remedy it. He or she may, furthermore, keep the relevant regulators informed of such acts.

## IV. Compliance with rules on limitation of directorships and on availability of the Members of the management body

The Member of the management body complies with legal and regulatory provisions, specifically those set out in articles L.511-52 and R.511-17 of the CoMoFi (the "CoMoFi Provisions") and in the Fit and Proper

Guidelines, which are applicable to him or her or applicable to the Company in matters of limitation of directorships and of availability as well as those in the Afep-Medef Corporate Governance Code.

### a. Compliance with rules when appointing a Member of the management body

Once a candidate is chosen by the CGEN and prior to submitting it to the Board of directors, the SCA, under the responsibility of the Chairman of the Board of directors:

- a) contacts the candidate in order to request the list of directorships as well as any other functions he or she may hold, and how much time is spent on them each year;
- b) ensures that the candidate is in compliance with the Provisions of the CoMoFi regarding the number of directorships;
- c) ensures that the candidate has the time required for the duties and training he or she would perform for the directorship in question;
- d) and checks that these directorships and other functions are suitable with the position of a Member of the management body, in accordance with the above provisions on independence of mind and management of conflicts of interest.

The candidate shall certify that the list of directorships and functions is complete and provide on request of the SCA any document (company bylaws, extracts from trade registers or equivalent, certificate, statement, etc). that the SCA deems useful to have.

The SCA then analyses the directorships declared by the candidate so as to ensure that the Provisions of the CoMoFi are complied with. It records the written documents on which the analysis and the conclusions were based, in accordance with personal data laws and regulations. As part of this review, the SCA may proceed to the researches he deems useful.

At the outcome of the SCA's review,

- a) either the candidate is in compliance with the Provisions of the CoMoFi and has the time required to serve as a director: the SCA shall report to the Chairman of the Board of directors, who shall inform the Chairman of the CGEN. The CGEN shall then propose the candidate to the Board of directors which shall take a decision on his appointment or his co-option, as the case may be;
- b) or the candidate is not in compliance with the Provisions of the CoMoFi or does not have the time required to serve as a director: the SCA shall inform the Chairman of the Board, who shall in turn notify the Chairman of the CGEN, so that the measures for remedying this situation can be reviewed with the candidate. If the candidate is willing to make the necessary arrangements prior to his nomination or his co-option, the SCA states this in minutes which will then be submitted to the Board of directors which will decide, his nomination or his co-option, as the case may be.

If the candidate is not willing or cannot implement the necessary steps, the SCA established minutes to the attention of the CGEN, which acts the end of the selection process.

### b. Compliance with rules while holding directorship as a Member of the management body

At all times, the Members of the management body shall comply with the rules on limitation of directorships and dedicate the time and effort required to carrying out their duties and responsibilities. They accept the discipline involved in working together in the respect of each other's opinions and they exercise their sense of responsibilities towards shareholders and the other stakeholders of the Group.

In addition, directors shall actively and regularly participate in meetings of the Board of directors and of the committees, and shall attend the Annual General Shareholders' Meeting. Furthermore, the directors representing employees and the directors representing employee shareholders, are given preparation time determined by the Board, in accordance with the laws in force.

To this end, every Member of the management body shall inform the Chairman of the Board of directors of his or her intention to accept (i) a new directorship, whether in a listed or unlisted, French or foreign entity, not belonging to a group of which he or she is an executive officer, or (ii) any participation in the specialised committees of a corporate body, or (iii) any new directorship, in France or abroad, such that the Board of directors, on the recommendation of the Corporate Governance, Ethics, Nominations and CSR Committee may decide on the compatibility of such an appointment with the non-executive directorship in the Company.

In this case, the SCA shall follow the analysis and verification procedure for the appointment of a Member of the management body.

At the end of the analysis referred to above, one of two situations may arise:

- a) either the Member of the management body accepting this new directorship complies with the Provisions of the CoMoFi, in which case the SCA informs the Chairman of the Board of directors, who in turn informs the CGEN. The CGEN then ensures that this new directorship complies specifically with the conflicts of interest rules on set out above;
- b) or the Member of the management body, by accepting this new directorship, is no longer in compliance with the Provisions of the CoMoFi, in which case the SCA shall inform the Chairman of the Board of directors, who shall report it to the Chairman of the CGEN, so that the measures for complying with the CoMoFi Provisions can be reviewed with the Member of the management body.

Whatever the case, if he or she no longer has the time to perform his or her duties, the SCA shall inform the Chairman of the Board of directors, who shall report it to the Chairman of the CGEN so that the measures for remedying the situation can be reviewed with the Member of the management body.

If the Member of the management body is willing to maintain his or her directorship in the Company, he or she shall either not accept the proposed directorship, or resign from a directorship he or she already holds. The SCA shall include this in minutes that shall then be submitted to the Board of directors.

If the Member of the management body decides to accept this new directorship without resigning from any directorship he or she already holds, the Member of the management body shall tender his or her letter of resignation as Member of the management body. The SCA shall mention this in a report to be addressed to the CGEN which acts this resignation, with the effective date to be decided on by the Board of directors. Any Member of the management body who considers him- or herself unable to continue on the Board of directors, or on the Committees of which he or she is a member shall resign.

At least once a year, the SCA asks the Members of the management body to update the form known as the "EBA Form", under which are listed all the directorships held by each Member of the management body, and to which is appended their availability table.

This update shall enable the SCA to ensure that all Members of the management body are in compliance with the Provisions of the CoMoFi and available on an ongoing basis.

## V. Good repute, honesty, and integrity of the Members of the management body

At all times, the Members of the management body shall meet the requirements of good repute and show honesty and integrity.

Candidates and Members of the management body undertake to immediately notify the Chairman of the Board of directors and the SCA of:

- a) any conviction (including on appeal, in criminal, civil, or administrative proceedings);
- b) any disciplinary measure;
- c) any prior refusal of validation by competent banking or financial authorities in France or abroad;
- d) any refusal, withdrawal, revocation, or prohibition on management of any registration, authorisation, membership, or licence to conduct a business or profession;
- e) any sanction by public authorities or professional organisations, or investigations or enforcement proceedings ongoing in France or abroad;
- f) any dismissal for professional misconduct or any dismissal from a directorship he or she may be the subject;
- g) any situation mentioned in a) through f) above concerning a company of which he or she is an executive officer, shareholder, or partner.

The SCA shall retain the written evidence and documents on which the analysis and the conclusions of the CGEN were based, in accordance with personal data laws and regulations. As part of this review, and at the request of the Chairman of the Board of directors, or, as applicable, the Chairman of the CGEN, the SCA may carry out any searches it deems useful, including questioning the relevant person.

If the Chairman of the Board of directors, or, as applicable, the Chairman of the CGEN, is notified of the occurrence of one of the aforementioned cases, he or she shall inform the CGEN so that this latter, based on the analysis of the reported situation, can issue an opinion as to the good repute of the Member of the management body and decide whether to ask him or her to resign. This opinion is then submitted to the Board of directors and if, followed by the said Board, is notified by the Chairman of the Board, to the concerned director. The decision of the Board of directors will be included in the minutes of the meeting.

In addition, every Member of the management board undertakes to act with loyalty and integrity toward the Members of the management board, the shareholders, and the Company alike. Failing this, the Chairman of the Board of directors, or, as applicable, the Chairman of the CGEN, may refer the matter to the CGEN so that the latter can issue an opinion as to the loyalty and integrity of the Member of the management body and may decide to ask him or her to resign.

## VI. Diversity of the Members of the management body and collective competence of the Board of directors

The CGEN shall set the objectives to achieve with respect to gender balance on the Board of directors, age diversity, professional qualifications and experience, and nationality among the Members of the management body, so as to ensure that at all times they have the skills necessary to understand the risks, including money laundering and terrorism financing risks, and issues, including social and environmental issues, and potential developments in the Company.

For this purpose, the CGEN periodically assesses and at least once a year, the structure, the size, the composition and the effectiveness of the Board of directors with respect to the missions with which it is entrusted, and makes any useful recommendations to the Board.

## VII. Induction and training of the Members of the management body

The Members of the Company's management body shall possess, both individually and collectively, the expertise, experience, skills, understanding, and personal qualities necessary, specifically in terms of professionalism and integrity, to properly perform their duties in connection with each of the significant activities of the Company, guaranteeing effective governance and supervision.

The Members of the management body shall maintain their knowledge in the following fields: finance and banking, risk management (in particular environmental, social, money laundering and terrorism financing related risks), regulations applicable to the Company, and, more broadly, any field related to the development and strategy of the Company.

The Company shall dedicate the human and financial resources required for the training of the Members of the management body. With this aim,

annual training courses are administered by the managers of the topics presented, and strategy seminars are held.

In addition to the training courses mentioned above, any director may request additional training. For this purpose, he or she shall initiate a dialogue with the Chairman and the SCA, who shall determine the arrangements for the requested training.

The directors representing employees and the directors representing employee shareholders are given time dedicated to training determined by the Board, in accordance with the laws in force. At the end of the training, the training centre chosen by the Board must issue a certificate of regular attendance, which the director representing employees and the director representing employee shareholders must give to the Secretary of the Board.

The Board of directors shall ensure that new directors meet with the Key function holders.

## DESCRIPTION OF THE IMPLEMENTATION PROCEDURE FOR CONFLICTS OF INTEREST IN RELATION TO LOANS AND OTHER TRANSACTIONS GRANTED TO THE MEMBERS OF THE MANAGEMENT BODY AND THEIR RELATED PARTIES

Pursuant to article L.22-10-12 of the French Commercial Code, the Board of directors has put in place a procedure to evaluate on a regular basis whether agreements covering current operations and agreed on an arm's length basis (so-called "free" agreements) meet these conditions.

This procedure was further strengthened by the Board of directors in September 2021 to reiterate the legal provisions relating to related-party agreements and to take into consideration the new provisions of the banking regulations requiring the implementation of a detailed system for identifying and managing conflicts of interest and a specific loan control system for loans granted by the Bank to Members of the management body and their related natural persons and legal entities.

This procedure covers agreements concluded between BNP Paribas and the directors, the Chairman, the Chief Executive Officer and the Chief Operating Officers of BNP Paribas or natural persons closely associated with them, their holding companies and legal entities in which they have an interest (directorship or equity holding).

There are two parts to the procedure for so-called "free" agreements:

- Agreements between BNP Paribas and the natural persons or holding companies mentioned above:

Each year, the Bank reviews the list of agreements entered into between BNP Paribas and the natural persons or asset holding companies mentioned above. The Compliance Function ensures that these agreements do cover current operations and are concluded under normal conditions and prepares a report that it sends to the Secretary of the Board of directors.

- Agreements between BNP Paribas and legal entities (other than asset management companies) mentioned above:

This procedure is based on existing policies (such as the Code of conduct or the "Customer Interests Protection Policy") and also provides:

- the declaration by the directors and corporate officers of the legal entities with which they are associated,
- the verification by the Bank of any business relationships between each of these legal entities,
- in-depth monitoring of agreements identified using a risk-based approach.

A report is prepared for each of these elements and submitted every year to the CGEN which informs the Board of directors.



### 2.1.3 REMUNERATION AND BENEFITS AWARDED TO THE DIRECTORS AND CORPORATE OFFICERS

The provisions of the French Commercial Code provide for *ex ante* approval each year by the Ordinary General Meeting of the compensation policy for directors and corporate officers. The compensation policy for directors and corporate officers of BNP Paribas is presented below on pages 81 to 87.

The compensation of these same directors and corporate officers is also subject to the *ex post* vote of the Ordinary General Meeting on the information on compensation referred to in article L.22-10-9 I of the French Commercial Code (this information is set out below on pages 87 *et seq.*). When the Annual General Meeting does not approve these items, the Board of directors submits an amended compensation policy, taking into account the shareholders' vote, for the approval of the next Annual General Meeting. The payment of directors' compensation for the current year is suspended until the amended compensation policy is approved. When the payment is reinstated, payments are backdated to the last Annual General Meeting.

Lastly, the compensation of each corporate officer is subject to a second *ex post* vote on the total compensation and benefits in kind paid during the previous year or awarded in respect of the same year (the information relating to this compensation is outlined in tables 1a and b, 2a and b, 3a and b, 4a and b and 5a and b on pages 88 *et seq.*). The variable components of compensation awarded to the corporate officers in respect of the previous year can only be paid after they have been approved by the Annual General Meeting on the basis of this second vote.

#### COMPENSATION POLICY FOR DIRECTORS AND CORPORATE OFFICERS SUBMITTED FOR SHAREHOLDERS' EX ANTE APPROVAL, IN ACCORDANCE WITH ARTICLE L.22-10-8 OF THE FRENCH COMMERCIAL CODE, AT THE ANNUAL GENERAL MEETING ON 17 MAY 2022

In this report, the Board of directors provides details of the fixed and variable components of total compensation and benefits in kind, attributable to the directors, the Chairman of the Board of directors, the Chief Executive Officer and the Chief Operating Officers for their corporate offices within BNP Paribas (SA), over a three-year period.

The elements of the compensation policy presented below are the subject of resolutions submitted for the approval of the Shareholders' Annual General Meeting voting under the quorum and majority conditions required for Ordinary General Meetings. If the Annual General Meeting does not approve these resolutions, the previous compensation policy, already approved by the Annual General Meeting of 18 May 2021, will continue to apply. In this case, the Board of directors will submit for the approval of the next Annual General Meeting a draft resolution outlining an amended compensation policy, indicating how the shareholders' vote was taken into account and, where appropriate, the opinions stated during the Annual General Meeting.

The compensation policy for the directors and corporate officers complies with applicable legislation and regulations, the Afep-Medef Code and the BNP Paribas Code of conduct. The policy, as detailed below (in particular the performance criteria), is aligned with the Company's corporate interest, contributes to the commercial strategy as well as

the sustainability of the Company and takes into consideration the compensation and employment conditions of the employees within the Company.

Without prejudice to the powers of the Annual General Meeting in this respect, the determination of the compensation of directors and corporate officers is the responsibility of the Board of directors and is based on proposals from the Remuneration Committee, which drafts the decisions which the Board of directors approves regarding compensation. In particular, the Remuneration Committee annually reviews the remuneration, compensation and benefits in kind granted to the Company's directors and corporate officers. This committee is made up of three independent members who have experience of compensation systems and market practices in this area and includes a director elected by employees.

Measures aimed at avoiding and managing conflicts of interest are established in the Internal Rules of the Board of directors, by the Policy on the suitability of members of the management body and key function holders, as well as by the Implementation procedure for conflicts of interest in relation to loans and other transactions granted to the members of the management body and their related parties. Corporate officers are not present during the discussions of the Board of directors and the Remuneration Committee regarding their own compensation.

The compensation of corporate officers takes into account, in its principles, the following objectives:

- alignment with the Bank's corporate interest and with that of its shareholders:
  - consistency with a medium to long-term outlook, especially in terms of the growth of the Bank's value, good risk management and the relative performance of its share,
  - integration of extra-financial assessment criteria,
  - by taking into account CSR aspects to determine the compensation (for the portion aligned with the CSR objectives considered for certain employees),
  - guaranteeing sufficient variability in the amounts allocated to reflect changes in the Bank's results without weighing too heavily on fixed expenses;
- the transparency of compensation:
  - all components (fixed, annual variable, multi-annual variable) are used in the overall assessment of the compensation,
  - balance between the components of compensation, which must contribute to the general interest of the Bank and reflect best market practices and legal and regulatory constraints,
  - the rules must be stable, strict and intelligible;
- compensation that is sufficiently attractive to facilitate the selection of profiles that are particularly competent in the Group's business areas.

#### I. Directors' compensation

In accordance with the law, the global amount of directors' compensation is set by the Shareholders' Annual General Meeting.

The individual amount of directors' compensation is determined by the Board of directors pursuant to a proposal of the Remuneration Committee. It consists of a fixed portion and a portion based on actual participation in meetings, regardless of the means. Directors residing abroad receive

an increased amount, except where they may participate in meetings of the Board of directors by videoconference or telecommunications means. Additional compensation is paid for actual participation in one of these four committees. This is increased for directors participating in the CCIRC in view of the specific investment required by this committee.

At the end of the year, the Remuneration Committee examines the allocation of directors' compensation and the amount paid to each of them in respect of the year on the basis of an audit of each director's actual presence at Board and Committee meetings. Where applicable, the remainder of the global amount fixed by the Annual General Meeting is allocated in proportion to the amount paid to each director. In the event of an additional extraordinary meeting of the Board or committees, the amount of the compensation due to each director is adjusted in proportion to the amounts paid to each director.

The Board of directors then approves the individual distribution of the directors' compensation in respect of the year before its payment to the directors (subject to the provisions of article L.22-10-34 I of the French Commercial Code).

## II. Compensation of the Chairman of the Board of directors

The annual fixed compensation of the Chairman, Mr Jean Lemierre, amounts to EUR 950,000 gross.

The Chairman does not receive any annual or multi-annual variable compensation. The absence of variable compensation reflects the independence of the Chairman with respect to the Executive Management.

Should a new Chairman be appointed, on the proposal of the Remuneration Committee and under this compensation policy, the Board of directors will set the amount of their fixed compensation in line with the new Chairman's profile and experience.

## III. Compensation of Executive Management

Compensation includes:

- a fixed component;
- an annual variable component;
- a conditional long-term incentive plan (long-term incentive plan or LTIP).

The levels of these different components are determined using established market benchmarks.

Compensation takes into account the cap on total variable compensation in relation to fixed compensation (including awards under long-term incentive plans) in accordance with article L.511-78 of the French Monetary and Financial Code, applicable specifically to credit institutions.

In accordance with paragraph 2 of said article, the Shareholders' Annual General Meeting of BNP Paribas of 18 May 2021 decided that this cap would be set at twice the amount of the fixed compensation.

For the purposes of calculating the aforementioned ratio, a discount rate may in addition be applied to no more than 25% of the total variable compensation inasmuch as the payment is made in the form of instruments deferred for at least five years, in accordance with article L.511-79 of the French Monetary and Financial Code.

### 1. Fixed compensation

The annual fixed compensation of the Chief Executive Officer, Mr Jean-Laurent Bonnafé, amounts to EUR 1,843,000, gross, i.e. an increase of 18% compared to 2021, effective 1 January 2022.

The last increase in the Chief Executive Officer's annual fixed compensation was on 25 February 2016, effective 1 January 2016, when the Board of directors rearranged the components of the executive corporate officers' compensation to comply with new European Banking Authority rules, the sum of the fixed compensation and the target annual variable compensation having remained unchanged since 2012.

The Board of directors noted the solid performance of the Bank since the appointment of the Chief Executive Officer. In ten years, the Bank has established itself as one of the leading institutions in the euro zone in terms of activity and results.

To decide on the increase of 18% of the Chief Executive Officer's annual fixed compensation, the Board of directors took into account the increase in the average fixed compensation of BNP Paribas (SA) employees in France, which is 18.5%<sup>(1)</sup> over the 2016-2021 period and 26.7%<sup>(1)</sup> over the 2012-2021 period based on data presented in the social balance sheets.

The Board also reviewed the compensation of the Chief Executive Officers of 9 comparable European banks. The compensation of the Chief Executive Officer of BNP Paribas after the proposed revaluation would remain significantly lower than the average of the situations observed.

The annual fixed compensation of the Chief Operating Officer in charge of the CIB scope, Mr Yann Gérardin, amounts to EUR 1,500,000 gross.

The annual fixed compensation of the Chief Operating Officer in charge of the CPBS (formerly Retail Banking) scope, Mr Thierry Laborde, amounts to EUR 900,000 gross.

Should a new Chief Executive Officer or a new Chief Operating Officer be appointed, the Board of directors will, on the proposal of the Remuneration Committee and under this compensation policy, set their fixed compensation in line with their profile and experience. Annual and multi-annual variable compensation components will be set in line with the principles appearing in this compensation policy.

### 2. Annual variable compensation

The variable component is intended to reflect the effective contribution of executive corporate officers to the success of BNP Paribas in respect of their functions as executive managers of an International Financial Services Group.

(1) These changes were measured by incorporating the change in average fixed compensation between 2016 and 2020 and between 2012 and 2020, then by adding for 2021 the average annual change observed over each of the two periods considered.

### General principles

The variable compensation of members of the Executive Management is determined from a target compensation equal to 100% of their annual fixed compensation for the Chief Executive Officer and the Chief Operating Officers.

It varies in accordance with criteria representative of the Group's results, CSR-linked criteria and the qualitative assessment by the Board of directors.

In addition, the payment of the annual variable compensation includes a deferred period, a "malus" and "claw-back" arrangements, as well as a cancellation clause in the event of a bank resolution measure, in accordance with same terms and conditions as those described below for the LTIP (see 3 below).

### Criteria linked to the Group's financial performance

Criteria linked to the Group's financial performance accounts for 75% of the target variable compensation and enables the corresponding portion of the compensation to be calculated in proportion to the change in numerical indicators. There are two Group-based quantitative criteria for the Chief Executive Officer and four for the Chief Operating Officers, half of which are Group-based and the other half based on their respective areas of responsibility.

If objectives based on quantitative criteria are exceeded (or not achieved), the fraction of the target compensation in question changes proportionally within the limits of the cap mentioned below.

- For the Chief Executive Officer, the quantitative criteria apply to the Group's overall performance based on the following equally weighted criteria:
  - ratio of net earnings per share for the year to net earnings per share for the previous year (37.5% of target variable compensation);
  - achievement of the Group's budgeted gross operating income (37.5% of the target variable compensation).

- For the Chief Operating Officers, half of the quantitative criteria are based on the Group's overall performance and the other half on the performance of their respective areas of responsibility based on the following equally weighted criteria:

- ratio of net earnings per share for the year to net earnings per share for the previous year (18.75% of the target variable compensation);
- achievement of the Group's budgeted gross operating income (18.75% of the target variable compensation);
- change in pre-tax net income for the year compared to the previous year for their respective areas of responsibility (18.75% of the target variable compensation);
- percentage of achievement of the budgeted gross operating income of their respective areas of responsibility (18.75% of the target variable compensation).

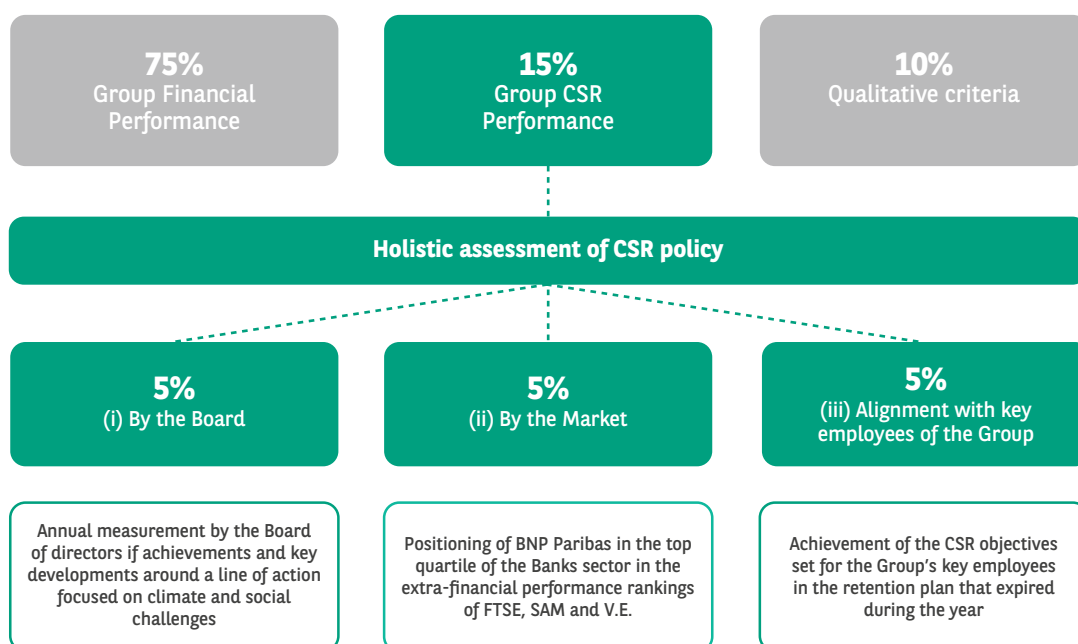
### Criteria linked to the Group's CSR performance

A portion of 15% of the target variable compensation is linked to the Group's CSR performance.

The allocation of this portion of the annual variable compensation is based on multi-criteria measurement based on a holistic approach of actions undertaken by the BNP Paribas Group with respect to social, societal and environmental issues.

With this in mind, this compensation structure includes three weighted criteria, each at 5%:

- (i) the Board of directors' assessment of the year's highlights, primarily with regard to climatic and social challenges;
- (ii) publications of extra-financial rating agencies measuring the quality of the BNP Paribas' CSR positioning relative to its peers;
- (iii) an alignment with the CSR objectives included in the compensation due to retention plans granted to the Group's key employees.



### Qualitative criteria

The portion of the variable compensation linked to the Board of directors' qualitative assessment is 10% of the target variable compensation.

The Board of directors considers it essential to carry out this qualitative assessment, particularly given its enhanced responsibilities in terms of supervision and control pursuant to the French Monetary and Financial Code. In addition to the Bank's strategy, which it must approve by taking into account social and environmental issues, the Board of directors must

also assess the performance of Executive Management based on their capacities for anticipation, decision-making, leadership and exemplary behaviour as part of the 2025 strategic plan.

This assessment will be made in light of the economic situation and with regard to the Group's operational and integrated model.

### ► SUMMARY OF THE CRITERIA FOR SETTING THE ANNUAL VARIABLE COMPENSATION APPLICABLE TO THE CHIEF EXECUTIVE OFFICER AND THE CHIEF OPERATING OFFICERS

Criteria applicable	% of fixed compensation		Type
	Chief Executive Officer	Chief Operating Officers	
Criteria linked to the Group's financial performance	37.50%	18.75%	Change in earnings per share
	37.50%	18.75%	Achievement of budgeted Group gross operating income
	N.A.	18.75%	Change in pre-tax net income in the area of responsibility for the year compared to the previous year
	N.A.	18.75%	Achievement of budgeted gross operating income in the area of responsibility
Criteria linked to the Group's CSR performance	15.00%	15.00%	Multicriteria assessment of the actions taken by BNP Paribas Group with respect to social, societal and environmental issues
Qualitative criteria	10.00%	10.00%	Assessment with regard to implementation of the Bank's strategic guidelines, particularly the human, organisational and technical dimensions of the 2025 Growth, Technology & Sustainability plan, and taking into account the general context of the year under consideration

### Ceiling

The Board of directors ensures the consistency of the annual variable compensation with changes in the Group's results and the area of responsibility of each of the Chief Operating Officers.

In any case:

- each of the criteria related to the Group's financial performance (two in the case of the Chief Executive Officer and four in the case of the Chief Operating Officers) is capped at 130% of its target weight and cannot therefore result in an annual variable compensation exceeding respectively 48.75% of the fixed compensation for the Chief Executive Officer and 24.38% for the Chief Operating Officers;
- the criteria related to the Group's CSR performance, as well as the qualitative criteria, are capped at 100% of their target weight and cannot therefore result in an annual variable compensation greater than, respectively, 15% and 10% of the fixed compensation;
- the amount of the annual variable compensation awarded to each executive corporate officer is capped at 120% of their fixed compensation.

### Terms and conditions of payment

The payment terms for variable compensation of BNP Paribas Group's executive corporate officers, in accordance with the provisions of the French Monetary and Financial Code and the European Banking Authority's Guidelines on compensation policy, are:

- 60% of annual variable compensation is deferred over five years, at the rate of one-fifth per year;

- regarding the non-deferred portion of the variable compensation:

- half will be paid in cash in May of the year of the award, subject to the approval of the Shareholders' Annual General Meeting under the terms provided for by article L.22-10-34 II of the French Commercial Code,
- and half will be paid in cash indexed to BNP Paribas share performance, at the end of a one-year holding period starting on the award date (award date is the date of the Board of directors' decision), *i.e.* in practice, in March of the year following the year in which the compensation is awarded;

- the deferred portion of the variable compensation will be paid annually in fifths over five years, the first payment being paid only at the end of a deferred period of one year from the award date of the variable compensation. Each instalment will be paid:

- half in cash in March every year,
- and half in cash indexed to BNP Paribas share performance, in March of the following year, at the end of a one-year holding period,
- provided that the Group's pre-tax ROE for the year preceding the payment is greater than 5%.

### 3. Conditional Long-Term Incentive Plan over five years (LTIP)

To align the interests of executive corporate officers with the medium to long-term performance of the BNP Paribas Group without compromising risk management, in 2011, the Board of directors introduced a conditional long-term incentive plan (LTIP) over five years.

The LTIP, which amounts to the target annual variable compensation awarded in respect of the previous year, is split into two equal parts: one to reward an increase in the intrinsic value of the share, and the other potential outperformance relative to peers.

If the share price increases by at least 5% during this period, a factor is applied to the initial amount, resulting in the amount being increased or reduced, in line with the table below:

Change in the BNP Paribas share price over 5 years	Factor applied to the first half of the award
Strictly under 5%	0 (No payment)
Equal to or higher than 5% and under 10%	40%
Equal to or higher than 10% and under 20%	80%
Equal to or higher than 20% and under 33%	120%
Equal to or higher than 33% and under 50%	130%
Equal to or higher than 50% and under 75%	150%
Equal or higher than 75%	175%

Thus, the first half of the award amount will only be paid in full at the end of the five-year period if the share price increases by more than 20% in the five years. The first half of the award will, in any event, always be less than or equal to the change in the share price and cannot, under any circumstances, exceed 175% of the award amount, assuming that the share price has increased by more than 75% at the end of the five-year period.

#### First half of the award amount: intrinsic share performance

The first half of the award amount is dependent on the change in share price<sup>(1)</sup> given that no payment will be made for 50% of the award amount if the BNP Paribas share price does not increase by at least 5% from the date of the award by the Board of directors to the end of a five-year period from the award date.

#### Second half of the award: outperformance of the BNP Paribas share relative to peers

Fulfilment of this condition is assessed by measuring the performance of the BNP Paribas share price relative to the "EURO STOXX Banks" index of main eurozone banks.

It only takes into account outperformance of the BNP Paribas share price relative to the average index measured over the 12 months prior to the award date, compared with the average for this same index for a period of 12 months prior to payment. The second half of the target amount under the LTIP will only be paid in full if the BNP Paribas share price outperforms the index by at least 10%.

Relative performance of the BNP Paribas share in relation to the performance of the EURO STOXX Banks index	Factor applied to the second half of the award
Lower or equal to 0 points	0%
0 to 5 points included	50%
5 to 10 points included	80%
10 points higher	100%

The amount determined by applying each of the conditions over the plan's five-year period is the compensation paid under the LTIP.

#### Ceiling

According to the provisions of article L.511-78 of the French Monetary and Financial Code relating to the cap on the variable component as a percentage of the fixed component, total variable compensation awarded, including amounts awarded under the LTIP, may not be more

than twice the fixed compensation, in accordance with the decision of the Shareholders' Annual General Meeting on 18 May 2021. To calculate the ratio, a discount rate may in addition be applied to no more than 25% of the total variable compensation inasmuch as the payment is made in the form of instruments deferred for at least five years.

(1) The initial and final amounts used to measure the performance of the share price over five years are as follows:

- the initial value is the average of the opening price of the BNP Paribas share for the rolling 12-month period preceding the award date;
- the final value is the average of the opening price of the BNP Paribas share in the rolling 12-month period preceding the payment date.

**Payment of LTIP**

Based on the change in the BNP Paribas share price, the first half of the amount paid under the LTIP may not, under any circumstances, exceed 175% of the initial award amount. Payment of the second half of the award may not, under any circumstances, exceed the initial award amount.

Thus, under no circumstances can payments under the LTIP exceed 137.5% of their award value.

**Continued presence requirement**

LTIP rules require continued presence throughout the entire duration of the plan. Departure from the Group would result in the LTIP not being paid. Nonetheless, in the event of retirement or death after the end of the first year of the plan, payments would be made provided that performance conditions are met and subject to assessment by the Board of directors.

**Malus and Claw-back clauses**

The LTIP provides for "malus" and "claw-back" arrangements. Accordingly, should the beneficiary adopt a behaviour or perform acts which do not comply with BNP Paribas' requirements as defined, in particular, as regard compliance with the Code of conduct, applicable Internal Rules and regulations, assessment and management of risks applicable to Group employees, the Board of directors may decide not only not to proceed with the payment of the set amount whether the employee still works for the Company or not, but may also request reimbursement for all or part of the sums paid under previous plans over the past five years.

Moreover, this rule provides that in the event of the implementation of a bank resolution measure under the French Monetary and Financial Code, the LTIP rights shall be definitively cancelled.

The Board of directors reserves the right to reduce awards under the LTIP, in particular in the event of non-compliance with the above-mentioned ceiling.

**IV. Extraordinary compensation**

No extraordinary compensation may be paid to the directors, the Chairman of the Board of directors, the Chief Executive Officer or the Chief Operating Officers.

**V. Benefits in kind**

The Chairman of the Board of directors, the Chief Executive Officer and the Chief Operating Officers have a company car and a mobile phone.

**VI. Stock option or share purchase subscription plans**

Directors and corporate officers do not benefit from any stock option or share purchase subscription plans.

**VII. Performance shares**

Directors and corporate officers do not receive any performance or free shares.

**VIII. Post-employment benefits****1. Payments or benefits due or likely to become due upon termination or change in functions**

Directors and corporate officers do not receive any contractual compensation for termination of their term of directorship.

**2. Retirement benefits**

Directors and corporate officers, with the exception of the Chief Operating Officers, do not receive post-employment benefits when they leave the Company or when they retire.

The Chief Operating Officers are entitled to the standard retirement benefits awarded to all BNP Paribas (SA) employees pursuant to their initial employment contract.

**3. Supplementary pension plans**

The corporate officers benefit solely from the defined-contribution top-up pension plan set up for all BNP Paribas (SA) employees, in accordance with article 83 of the French General Tax Code.

**4. Protection insurance**

The Chairman of the Board of directors, the Chief Executive Officer and the Chief Operating Officers are entitled to the same flexible welfare benefits (death and disability insurance, as well as the common healthcare benefit scheme) as all BNP Paribas (SA) employees.

They also benefit from the *Garantie Vie Professionnelle Accidents* system (death and disability insurance), which covers all employees of BNP Paribas (SA).

The Chief Executive Officer and the Chief Operating Officers are also entitled to the supplementary plan set up for members of the Group Executive Committee, which pays out additional capital of EUR 1.10 million in the event of work-related death or total and permanent disability. The employer contribution under this scheme is recognised as a benefit in kind.

**5. Non-compete agreement**

Please note that the Chief Executive Officer signed a non-compete agreement with BNP Paribas (SA) on 25 February 2016. This agreement was approved by the Annual General Meeting of 26 May 2016 pursuant to the provisions of article L.225-38 of the French Commercial Code.

Under this agreement, if he ceases to hold any role or position in BNP Paribas, Mr Jean-Laurent Bonnafé undertakes, for a period of 12 months, not to take any role whatsoever, either directly or indirectly, for a credit institution, investment or insurance firm whose securities are traded on a regulated market in France or abroad, or in France for a credit institution, investment or insurance firm whose securities are not traded on a regulated market. Decisions to apply the agreement will be taken in due time with sincerity and loyalty.

Under this agreement, the Chief Executive Officer will receive a payment equal to 1.2 times the total of his fixed and variable compensation (excluding LTIP) received during the year prior to his departure. One-twelfth of the indemnity would be paid each month.

In accordance with the Afep-Medef Code and article R.22-10-4 of the French Commercial Code which stipulate that the payment of a non-compete indemnity must be excluded if the person concerned claimed his pension rights or has exceeded the age of 65 and in line with the stipulations of said non-compete agreement, the Board of directors and the Chief Executive Officer have confirmed that they comply with this provision.

## IX. Loans, advances and guarantees granted to the Group's directors and corporate officers

BNP Paribas directors and corporate officers and their spouses and dependent children may be granted loans.

These loans, representing normal transactions, are granted on an arm's length basis, in accordance with the Implementation procedure for conflicts of interest in relation to loans and other transactions granted to the members of the management body and their related parties.

## COMPONENTS OF COMPENSATION PAID IN 2021 OR ALLOCATED IN RESPECT OF THE SAME YEAR SUBMITTED TO THE EX POST VOTE OF SHAREHOLDERS DURING THE ANNUAL GENERAL MEETING OF 17 MAY 2022 IN ACCORDANCE WITH ARTICLE L.22-10-34 OF THE FRENCH COMMERCIAL CODE

The total compensation of directors and corporate officers, as described below, complies with the compensation policy adopted at the Annual General Meeting of 18 May 2021 and the specific conditions applicable to the compensation of Mr Philippe Bordenave in the context of the end of his term of office, validated by the Board of directors at its meeting of 29 April 2021.

### ► DIRECTORS' COMPENSATION (amounts in euros)

Directors	Amounts paid in 2020 in respect of the year (as a reminder)	Amounts paid in 2021 in respect of the year
ASCHENBROICH Jacques	76,919	77,981
BONNAFÉ Jean-Laurent	58,447	64,432
BRISAC Juliette	N/A	37,029
De CHALENDAR Pierre-André	102,135	109,294
COHEN Monique	120,607	122,842
DE PLOEY Wouter	88,647	78,382
EPAILLARD Hugues <sup>(1)</sup>	103,308	110,498
GIBSON-Brandon Rajna	97,737	87,114
GUILLOU Marion	90,114	94,239
KESSLER Denis	97,444	44,564
LEMIERRE Jean	58,447	64,432
NOYER Christian	N/A	56,901
SCHWARZER Daniela	86,009	83,099
TILMANT Michel	128,231	129,466
VERRIER Sandrine <sup>(1)</sup>	76,919	80,389
WICKER-MIURIN Fields	115,036	121,337
<b>TOTAL</b>	<b>1,300,000</b>	<b>1,362,000</b>

(1) Amount paid to the corresponding trade union organisation.

For information, the rules for allocating directors' compensation are as follows:

	Fixed portion <sup>(1)</sup>	Share based on actual attendance	
		Scheduled meeting	Extraordinary meeting
Directors resident in France	€21,000	€3,000/meeting	€4,400/meeting
Directors resident outside of France	€21,000	€4,200/meeting <sup>(2)</sup>	€4,600/meeting <sup>(3)</sup>
Chairman of a specialised committee		€5,700/meeting	€5,700/meeting
Member of a specialised committee		€2,700/meeting	€2,700/meeting

(1) The fixed portion is calculated pro rata temporis of the term of directorship during the year in question.

(2) Or EUR 3,000 per meeting if participation is via videoconference or telecommunication means.

(3) Or EUR 4,400 per meeting if participation is via videoconference or telecommunication means.

Directors elected by the employees and the director representing the employee shareholders receive compensation under their employment contract.

## Compensation and benefits of the corporate officers

### ► TABLE NO. 1: COMPENSATION PAID DURING 2021 OR AWARDED FOR THE SAME YEAR TO MR JEAN LEMIERRE, CHAIRMAN OF THE BOARD OF DIRECTORS, SUBMITTED TO THE VOTE OF THE SHAREHOLDERS (amounts in euros)

#### ► a. Components of compensation awarded in respect of 2021 to Mr Jean LEMIERRE, Chairman of the Board of directors

	Amounts	Comments
Fixed compensation	950,000 (paid)	The compensation paid to Mr Jean LEMIERRE is determined by the method recommended by the Remuneration Committee and approved by the Board of directors. His fixed compensation has not changed since December 2014.
Annual variable compensation	Nil	Mr Jean LEMIERRE is not entitled to multi-annual variable compensation. The absence of variable compensation reflects the independence of the Chairman with respect to the Executive Management.
Multi-annual variable compensation	Nil	Mr Jean LEMIERRE is not entitled to multi-annual variable compensation. The absence of variable compensation reflects the independence of the Chairman with respect to the Executive Management.
Compensation linked to the term of directorship	64,432 (paid)	Mr Jean LEMIERRE does not receive any compensation in respect of directorships that he holds in the Group's companies other than BNP Paribas (SA).
Extraordinary compensation	Nil	
Stock options awarded during the period	Nil	
Performance shares awarded during the year	Nil	
Benefits in kind	5,163	Mr Jean LEMIERRE has a company car and a mobile phone.
<b>TOTAL</b>	<b>1,019,595</b>	

#### ► b. The components of compensation paid to Mr Jean LEMIERRE, Chairman of the Board of directors during 2021 in respect of previous financial years (having been subject to a shareholders' vote at the time of their award)

	Amounts	Comments
Nil		

#### ► c. All types of commitments undertaken corresponding to compensation components, indemnities or benefits in kind due or likely to be due as a result of the assumption, termination or change in functions or after performing these to the benefit of Mr Jean LEMIERRE, Chairman of the Board of directors

	Amounts	Comments
Sign-on bonuses and severance payments	Nil	Mr Jean LEMIERRE receives no sign-on bonuses or severance payments.
Top-up pension plan with defined benefits	Nil	Mr Jean LEMIERRE does not benefit from any supplemental defined-benefit pension plans.
Top-up pension plan defined-contribution	1,769	Mr Jean LEMIERRE benefits from the defined-contribution plan set up for all BNP Paribas (SA) employees, in accordance with pension plans (article 83 of the French General Tax Code). The amount of contributions paid by the Company under the plan to Jean LEMIERRE in 2021 was EUR 1,769.
Welfare benefit and healthcare plans	4,011	Mr Jean LEMIERRE benefits from the disability, invalidity and death, and healthcare insurance plans offered to employees of BNP Paribas (SA). He also benefits from death and disability insurance covering all employees of BNP Paribas (SA). This amount is the total received.



► **TABLE NO. 2: COMPENSATION PAID DURING 2021 OR AWARDED FOR THE SAME FINANCIAL YEAR TO MR JEAN-LAURENT BONNAFÉ, CHIEF EXECUTIVE OFFICER, SUBMITTED TO THE VOTE OF THE SHAREHOLDERS**

(amounts in euros)

► **a. Components of compensation paid in respect of 2021 to Mr Jean-Laurent BONNAFÉ, Chief Executive Officer**

	Amounts	Comments
Fixed compensation	1,562,000 (paid)	The compensation paid to Mr Jean-Laurent BONNAFÉ is determined by the method recommended by the Remuneration Committee and approved by the Board of directors. The most recent increase in fixed compensation is dated 25 February 2016 effective as of 1 January 2016 when the Board of directors revised the components of compensation of the executive corporate officers to comply with the new EBA rules, the sum of the fixed compensation and target annual variable compensation remained unchanged.
Annual variable compensation <sup>(1)</sup>	1,796,769	<p>The variable compensation of Mr Jean-Laurent BONNAFÉ changes on the basis of criteria representative of Group results and his managerial performance. It is expressed as a percentage of a target variable compensation corresponding to 100% of fixed compensation for the year.</p> <p>The quantitative criteria apply to the Group's overall performance and are as follows:</p> <ul style="list-style-type: none"> <li>■ ratio of net earnings per share for the year to net earnings per share for the previous year (37.5% of the target variable compensation);</li> <li>■ achievement of the Group's budgeted gross operating income (37.5% of the target variable compensation).</li> </ul> <p>CSR criteria also apply for 10% of the target variable compensation, corresponding to the multi-criteria assessment of the actions taken by the Group with respect to social, societal and environmental issues.</p> <p>The qualitative criteria represent 15% of the target variable compensation.</p> <p>After taking into account both quantitative, CSR and qualitative criteria, the Board of directors set the annual variable compensation of Mr Jean-Laurent BONNAFÉ for 2021 at EUR 1,796,769, i.e. 115.03% of the target annual variable compensation;</p> <ul style="list-style-type: none"> <li>■ half of the non-deferred portion of the variable compensation will be paid in May 2022, and half in March 2023, indexed to the performance of the BNP Paribas share;</li> <li>■ the deferred portion of the variable compensation will be paid in fifths as of 2023. Each payment will be made half in March every year, and half in March of the following year, indexed to the performance of the BNP Paribas share. The last payment in respect of 2021 will be made in March 2028;</li> <li>■ the annual payment of the deferred variable compensation is subject to the condition that the ROE before tax of the Group for the year preceding the payment is greater than 5%.</li> </ul> <p>The ratio between the annual fixed compensation and variable compensation, as required under the French Commercial Code, was 115.03%.</p>
Conditional long-term compensation programme (fully deferred for a period of five years)	680,720	<p>The fair value of the LTIP awarded to Mr Jean-Laurent BONNAFÉ on 7 February 2022 with respect to 2021 amounted to EUR 680,720.</p> <p>The term of the LTIP is five years. The two conditions of the LTIP, one recognising an increase in the intrinsic value of the BNP Paribas share and the other recognising the potential outperformance of its peers, are assigned equal weighting in order to measure their effects separately.</p> <p>Thus, payments under the LTIP may not exceed 137.5% of their award value.</p>
Compensation linked to the term of directorship	64,432	Mr Jean-Laurent BONNAFÉ receives compensation for his term of directorship at BNP Paribas (SA).
Extraordinary compensation	Nil	
Stock options awarded during the period	Nil	
Performance shares awarded during the year	Nil	
Benefits in kind	6,481	Mr Jean-Laurent BONNAFÉ has a company car and a mobile phone. This amount also includes the employer contribution under the Executive Committee professional life insurance policy, offering an additional EUR 1.10 million in the event of death or total permanent disability linked to the employment activity. BNP Paribas (SA)'s annual employer contribution was EUR 1,433 per beneficiary for 2021.
<b>TOTAL</b>	<b>4,110,402</b>	

(1) Payment subject to the approval of the Annual General Meeting of 17 May 2022 pursuant to article L.22-10-34 II of the French Commercial Code.

► **b. Components of compensation paid to Mr Jean-Laurent BONNAFÉ, Chief Executive Officer, during 2021 in respect of previous years (having been subject to the shareholders' vote at the time of their award)**

In euros	Date of submission to the AGM and resolution number	Amounts paid in 2021
<b>Annual variable compensation</b>		<b>1,220,036</b>
Including partial payment of the annual variable compensation in respect of 2020	18 May 2021 15th resolution	295,843
Including partial payment of the annual variable compensation in respect of 2019	19 May 2020 16th resolution	405,996
Including partial payment of the annual variable compensation in respect of 2018	23 May 2019 14th resolution	180,750
Including partial payment of the annual variable compensation in respect of 2017	24 May 2018 15th resolution	161,107
Including partial payment of the annual variable compensation in respect of 2016	23 May 2017 14th resolution	176,340
<b>Multi-annual variable compensation</b>	26 May 2016 11th resolution	<b>0</b>

► **c. All types of commitments corresponding to components of compensation, indemnities or benefits in kind due or likely to be due as a result of the assumption, termination or change in functions or after performing these to the benefit of Mr Jean-Laurent BONNAFÉ, Chief Executive Officer**

	Amounts	Comments
Sign-on bonuses and severance payments	Nil	
Non-compete indemnity	Nil	Under the non-compete clause signed on 25 February 2016, and subject to the conditions detailed below, Mr Jean-Laurent BONNAFÉ would receive compensation equal to 1.2 times the sum of his fixed and variable compensation (excluding multi-annual variable compensation) received during the year prior to his leaving the Group. One-twelfth of the indemnity would be paid each month. Under this agreement, if he ceases to hold any role or position in BNP Paribas, Mr Jean-Laurent BONNAFÉ undertakes, for a period of 12 months, not to take any role whatsoever, either directly or indirectly, for a credit institution, investment or insurance firm whose securities are traded on a regulated market in France or abroad, or in France for a credit institution, investment or insurance firm whose securities are not traded on a regulated market. Decisions to apply the agreement will be taken in due time with sincerity and loyalty. In accordance with the Afep-Medef Code and article R.22-10-14 of the French Commercial Code, which stipulate that the payment of a non-compete payment must be excluded if the person concerned claimed his pension rights or has exceeded the age of 65 and in line with the stipulations of said non-compete agreement, the Board of directors and the Chief Executive Officer have confirmed that they comply with this provision.
Top-up pension plan with defined benefits	Nil	Mr Jean-Laurent BONNAFÉ does not benefit from any supplemental defined-benefit pension plans.
Top-up pension plan defined-contribution	1,769	Mr Jean-Laurent BONNAFÉ benefits from the defined-contribution plan set up for all BNP Paribas (SA) employees, in accordance with article 83 of the French General Tax Code. The amount of contributions paid by the Company in this respect for Mr Jean-Laurent BONNAFÉ was, in 2021, EUR 1,769.
Welfare benefit and healthcare plans	4,011	Mr Jean-Laurent BONNAFÉ benefits from the disability, invalidity and death and healthcare insurance plans offered to employees of BNP Paribas (SA). He also benefits from death and disability insurance covering all employees of BNP Paribas (SA).

► **TABLE NO. 3: COMPONENTS OF COMPENSATION PAID DURING 2021 OR AWARDED FOR THE SAME FINANCIAL YEAR TO MR PHILIPPE BORDENAVE, CHIEF OPERATING OFFICER UNTIL 18 MAY 2021, SUBMITTED TO THE VOTE OF THE SHAREHOLDERS** (amounts in euros)

► a. Components of the compensation awarded in respect of 2021 to Mr Philippe BORDENAVE, Chief Operating Officer until 18 May 2021

	Amounts	Comments
Fixed compensation due with respect to the year	381,720 (paid)	The compensation of Mr Philippe BORDENAVE is determined according to the terms proposed by the Remuneration Committee to the Board of directors and paid in proportion to his capacity as Chief Operating Officer until 18 May 2021. The most recent increase in fixed compensation is dated 25 February 2016 effective as of 1 January 2016 when the Board of directors revised the components of compensation of the executive corporate officers to comply with the new EBA rules, the sum of the fixed compensation and target annual variable compensation remained unchanged.
Annual variable compensation awarded in respect of the year <sup>(1)</sup>	439,093	<p>The variable compensation of Mr Philippe BORDENAVE changes on the basis of criteria representative of Group results and his managerial performance. It is expressed as a percentage of a target variable compensation corresponding to 100% of fixed compensation for the year. The quantitative criteria apply to the Group's overall performance and are as follows:</p> <ul style="list-style-type: none"> <li>■ ratio of net earnings per share for the year to net earnings per share for the previous year (37.5% of the target variable compensation);</li> <li>■ achievement of the Group's budgeted gross operating income (37.5% of the target variable compensation);</li> </ul> <p>CSR criteria also apply for 10% of the target variable compensation, corresponding to the multi-criteria assessment of the actions taken by the Group with respect to social, societal and environmental issues.</p> <p>The qualitative criteria represent 15% of the target variable compensation.</p> <p>After taking into account the quantitative, CSR and qualitative criteria, and the evolution of the Group's results, the Board of directors set the variable compensation of Mr Philippe BORDENAVE for his capacity as Chief Operating Officer until 18 May 2021 to EUR 439,093, i.e. 115.03% of the target annual variable compensation;</p> <ul style="list-style-type: none"> <li>■ half of the non-deferred portion of the variable compensation will be paid in May 2022, and half in March 2023, indexed to the performance of the BNP Paribas share;</li> <li>■ the deferred portion of the variable compensation will be paid in fifths as of 2023. Each payment will be made half in March every year, and half in March of the following year, indexed to the performance of the BNP Paribas share. The last payment in respect of 2021 will be made in March 2028;</li> <li>■ the annual payment of the deferred variable compensation is subject to the condition that the ROE before tax of the Group for the year preceding the payment is greater than 5%.</li> </ul> <p>The ratio between the annual fixed compensation and variable compensation, as required under the French Commercial Code, was 115.03%.</p>
Conditional long-term compensation programme (fully deferred for a period of five years)	Nil	In accordance with the financial conditions approved by the Board of directors at its meeting of 29 April 2021, no LTIP for 2021 is allocated to Mr Philippe BORDENAVE.
Compensation linked to the term of directorship	Nil	Mr Philippe BORDENAVE does not hold a directorship in Group companies.
Extraordinary compensation	Nil	
Stock options awarded during the period	Nil	
Performance shares awarded during the year	Nil	
Benefits in kind	952	Mr Philippe BORDENAVE has a company car and a mobile phone.
<b>TOTAL</b>	<b>821,765</b>	

(1) Payment subject to the approval of the Annual General Meeting of 17 May 2022 pursuant to article L.22-10-34 II of the French Commercial Code.

► **b. Components of the compensation paid to Mr Philippe BORDENAVE, Chief Operating Officer until 18 May 2021, during the same period in respect of previous financial years (subject to a shareholder vote at the time of their allocation)**

In euros	Date submitted to the AGM and resolution number	Amounts paid in 2021
<b>Annual variable compensation</b>		<b>781,041</b>
<i>Including partial payment of the annual variable compensation in respect of 2020</i>	<i>18 May 2021 16th resolution</i>	<i>189,400</i>
<i>Including partial payment of the annual variable compensation in respect of 2019</i>	<i>19 May 2020 (17th resolution)</i>	<i>259,947</i>
<i>Including partial payment of the annual variable compensation in respect of 2018</i>	<i>23 May 2019 15th resolution</i>	<i>115,711</i>
<i>Including partial payment of the annual variable compensation in respect of 2017</i>	<i>24 May 2018 16th resolution</i>	<i>103,106</i>
<i>Including partial payment of the annual variable compensation in respect of 2016</i>	<i>23 May 2017 15th resolution</i>	<i>112,877</i>
<b>Multi-annual variable compensation</b>	<i>26 May 2016 12th resolution</i>	<b>0</b>

► **c. Commitments of any kind corresponding to elements of compensation, indemnities or benefits due or likely to be due in respect of the assumption, termination or change of functions or after the exercise thereof taken for the benefit of Mr Philippe BORDENAVE, Chief Operating Officer until 18 May 2021**

	Amounts	Comments
Sign-on bonuses and severance payments	Nil	Mr Philippe BORDENAVE receives no sign-on bonuses or severance payments.
Top-up pension plan with defined benefits	Nil	Mr Philippe BORDENAVE benefits from no supplemental defined-benefit pension plans.
Top-up pension plan defined-contribution	675	The directors and corporate officers benefit from the defined-contribution plan (article 83 of the French General Tax Code) set up for all employees of BNP Paribas (SA). The amount of contributions paid by the Company under the plan in 2021 to Mr Philippe Bordenave was EUR 675.
Welfare benefit and healthcare plans	1,531	Mr Philippe BORDENAVE benefits from the disability, invalidity and death and healthcare insurance offered to employees of BNP Paribas (SA). He also benefits from death and disability insurance covering all employees of BNP Paribas (SA).

► **TABLE 4: COMPONENTS OF COMPENSATION PAID DURING OR AWARDED IN RESPECT OF 2021 TO MR YANN GÉRARDIN, CHIEF OPERATING OFFICER FROM 18 MAY 2021, SUBMITTED TO THE VOTE OF THE SHAREHOLDERS** (amounts in euros)

► **a. Components of the compensation awarded in respect of 2021 to Mr Yann GÉRARDIN, Chief Operating Officer from 18 May 2021**

	Amounts	Comments
Fixed compensation due with respect to the year	927,419 (paid)	The annual fixed compensation of Mr Yann GÉRARDIN amounts to EUR 1,500,000 gross. For 2021, the compensation of Mr Yann GÉRARDIN is determined according to the terms proposed by the Remuneration Committee to the Board of directors and paid in proportion to his capacity as Chief Operating Officer from 18 May 2021.
Annual variable compensation awarded in respect of the year <sup>(1)</sup>	1,093,334	<p>The variable compensation of Mr Yann GÉRARDIN changes according to criteria representative of the Group's results as well as the results of the CIB division and his managerial performance. It is expressed as a percentage of a target variable compensation corresponding to 100% of fixed compensation for the year.</p> <p>The quantitative criteria apply to the following achievements:</p> <ul style="list-style-type: none"> <li>■ ratio of net earnings per share for the year to net earnings per share for the previous year (18.75% of the target variable compensation);</li> <li>■ achievement of the Group's budgeted gross operating income (18.75% of the target variable compensation);</li> <li>■ ratio of net income before tax for the CIB scope for the year compared to the previous year (18.75% of the target variable compensation);</li> <li>■ percentage of achievement of the CIB scope's gross operating income budget (18.75% of the target variable compensation).</li> </ul> <p>CSR criteria also apply for 10% of the target variable compensation, corresponding to the multi-criteria assessment of the actions taken by the Group with respect to social, societal and environmental issues.</p> <p>The qualitative criteria represent 15% of the target variable compensation.</p> <p>After taking into account the quantitative and qualitative criteria, and the evolution of the Group's results and of the CIB scope, the Board of directors set the variable compensation of Mr Yann GÉRARDIN for his position as Chief Operating Officer from 18 May 2021 to EUR 1,093,334, i.e. 117.89% of the target annual variable compensation;</p> <ul style="list-style-type: none"> <li>■ half of the non-deferred portion of the variable compensation will be paid in May 2022, and half in March 2023, indexed to the performance of the BNP Paribas share;</li> <li>■ the deferred portion of the variable compensation will be paid in fifths as of 2023. Each payment will be made half in March every year, and half in March of the following year, indexed to the performance of the BNP Paribas share. The last payment in respect of 2021 will be made in March 2028;</li> <li>■ the annual payment of the deferred variable compensation is subject to the condition that the ROE before tax of the Group for the year preceding the payment is greater than 5%.</li> </ul> <p>The ratio between the annual fixed compensation and variable compensation, as required under the French Commercial Code, was 117.89%.</p>
Conditional long-term compensation programme (fully deferred for a period of five years)	404,169	The fair value of the LTIP granted on 7 February 2022 and attached to his position as Chief Operating Officer from 18 May 2021 is EUR 404,169 for Mr Yann GÉRARDIN. The term of the LTIP is five years. The two conditions of the LTIP, one recognising an increase in the intrinsic value of the BNP Paribas share and the other recognising the potential outperformance of its peers, are assigned equal weighting in order to measure their effects separately. Thus, payments under the LTIP may not exceed 137.5% of their award value.
Compensation linked to the term of directorship	Nil	Mr Yann GÉRARDIN does not hold a directorship in Group companies.
Extraordinary compensation	Nil	
Stock options awarded during the period	Nil	
Performance shares awarded during the year	Nil	
Benefits in kind	1,433	This amount corresponds to the employer contribution under the Executive Committee professional life insurance policy, offering an additional EUR 1.10 million in the event of death or total permanent disability linked to the employment activity. BNP Paribas (SA)'s annual employer contribution was EUR 1,433 per beneficiary for 2021.
<b>TOTAL</b>	<b>2,426,355</b>	

(1) Payment subject to the approval of the Annual General Meeting of 17 May 2022 pursuant to article L.22-10-34 II of the French Commercial Code.

- **b. Components of compensation paid to Mr Yann GÉRARDIN, Chief Operating Officer from 18 May 2021, during the same period in respect of previous financial years (subject to a shareholder vote at the time of their allocation)**

	Amounts	Comments
	Nil	

- **c. Commitments of any kind corresponding to elements of compensation, indemnities or benefits due or likely to be due in respect of the assumption, termination or change of functions or after the exercise thereof taken for the benefit of Mr Yann GÉRARDIN, Chief Operating Officer from 18 May 2021**

	Amounts	Comments
Sign-on bonuses and severance payments	Nil	Mr Yann GÉRARDIN receives no sign-on bonuses or severance payments.
Top-up pension plan with defined benefits	Nil	Mr Yann GÉRARDIN does not benefit from any supplemental defined-benefit pension plan.
Top-up pension plan defined-contribution	1,094	The directors and corporate officers benefit from the defined-contribution plan (article 83 of the French General Tax Code) set up for all employees of BNP Paribas (SA). In 2021, the amount of contributions paid by the Company on behalf of Mr Yann GÉRARDIN was EUR 1,094.
Welfare benefit and healthcare plans	2,480	Mr Yann GÉRARDIN benefits from the disability, invalidity and death and healthcare insurance offered to employees of BNP Paribas (SA). He also benefits from death and disability insurance covering all employees of BNP Paribas (SA).

► **TABLE 5: COMPENSATION PAID OR AWARDED IN RESPECT OF 2021 TO MR THIERRY LABORDE, CHIEF OPERATING OFFICER FROM 18 MAY 2021, SUBMITTED TO THE VOTE OF THE SHAREHOLDERS** (amounts in euros)

► **a. Components of the compensation awarded in respect of 2021 to Mr Thierry LABORDE, Chief Operating Officer from 18 May 2021**

	Amounts	Comments
Fixed compensation due with respect to the year	556,452 (paid)	The annual fixed compensation of Mr Thierry LABORDE amounts to EUR 900,000 gross. For 2021, the compensation of Mr Thierry LABORDE is determined according to the terms proposed by the Remuneration Committee to the Board of directors and paid in proportion to his capacity as Chief Operating Officer from 18 May 2021.
Annual variable compensation awarded in respect of the year <sup>(1)</sup>	632,463	<p>The variable compensation of Mr Thierry LABORDE changes according to criteria representative of the Group's results as well as the results of the CPBS business line (formerly Retail Banking) and his managerial performance. It is expressed as a percentage of a target variable compensation corresponding to 100% of fixed compensation for the year.</p> <p>The quantitative criteria apply to the following achievements:</p> <ul style="list-style-type: none"> <li>■ ratio of net earnings per share for the year to net earnings per share for the previous year (18.75% of the target variable compensation);</li> <li>■ achievement of the Group's budgeted gross operating income (18.75% of the target variable compensation);</li> <li>■ ratio of net income before tax of the CPBS scope for the year compared to the previous year (18.75% of the target variable compensation);</li> <li>■ percentage of achievement of the CPBS scope's gross operating income budget (18.75% of the target variable compensation).</li> </ul> <p>CSR criteria also apply for 10% of the target variable compensation, corresponding to the multi-criteria assessment of the actions taken by the Group with respect to social, societal and environmental issues.</p> <p>The qualitative criteria represent 15% of the target variable compensation.</p> <p>After taking into account the quantitative, CSR and qualitative criteria, and the evolution of the Group's results and of the CPBS scope, the Board of directors set the variable compensation of Mr Thierry LABORDE for his position as Chief Operating Officer from 18 May 2021 to EUR 632,463, i.e. 113.66% of the target annual variable compensation;</p> <ul style="list-style-type: none"> <li>■ half of the non-deferred portion of the variable compensation will be paid in May 2022, and half in March 2023, indexed to the performance of the BNP Paribas share;</li> <li>■ the deferred portion of the variable compensation will be paid in fifths as of 2023. Each payment will be made half in March every year, and half in March of the following year, indexed to the performance of the BNP Paribas share. The last payment in respect of 2021 will be made in March 2028;</li> <li>■ the annual payment of the deferred variable compensation is subject to the condition that the ROE before tax of the Group for the year preceding the payment is greater than 5%.</li> </ul> <p>The ratio between the annual fixed compensation and variable compensation, as required under the French Commercial Code, was 113.66%.</p>
Conditional long-term compensation programme (fully deferred for a period of five years)	242,502	The fair value of the LTIP granted on 7 February 2022 and attached to his position as Chief Operating Officer from 18 May 2021 is EUR 242,502 for Mr Thierry LABORDE. The term of the LTIP is five years. The two conditions of the LTIP, one recognising an increase in the intrinsic value of the BNP Paribas share and the other recognising the potential outperformance of its peers, are assigned equal weighting in order to measure their effects separately. Thus, payments under the LTIP may not exceed 137.5% of their award value.
Compensation linked to the term of directorship	Nil	Mr Thierry LABORDE does not receive any compensation for the directorships he holds in the Group's companies.
Extraordinary compensation	Nil	
Stock options awarded during the period	Nil	
Performance shares awarded during the year	Nil	
Benefits in kind	4,588	Mr Thierry LABORDE has a company car. This amount also includes the employer contribution under the Executive Committee professional life insurance policy, offering an additional EUR 1.10 million in the event of death or total permanent disability linked to the employment activity. BNP Paribas (SA)'s annual employer contribution was EUR 1,433 per beneficiary for 2021.
<b>TOTAL</b>	<b>1,436,005</b>	

(1) Payment subject to the approval of the Annual General Meeting of 17 May 2022 pursuant to article L.22-10-34 II of the French Commercial Code.

- **b. Components of the compensation paid to Mr Thierry LABORDE, Chief Operating Officer from 18 May 2021, during 2021 in respect of previous financial years (subject to a shareholder vote at the time of their allocation).**

	Amounts	Comments
	Nil	

- **c. Commitments of any kind corresponding to elements of compensation, indemnities or benefits due or likely to be due in respect of the assumption, termination or change of functions or after the exercise thereof taken for the benefit of Thierry LABORDE, Chief Operating Officer from 18 May 2021**

	Amounts	Comments
Sign-on bonuses and severance payments	Nil	Mr Thierry LABORDE does not receive any sign-on bonuses or severance payments.
Top-up pension plan with defined benefits	Nil	Mr Thierry LABORDE does not benefit from any supplemental defined-benefit pension plan.
Top-up pension plan defined-contribution	1,094	The directors and corporate officers benefit from the defined-contribution plan (article 83 of the French General Tax Code) set up for all employees of BNP Paribas (SA). In 2021, the amount of contributions paid by the Company on behalf of Mr Thierry Laborde was EUR 1,094.
Welfare benefit and healthcare plans	2,480	Mr Thierry LABORDE benefits from the disability, invalidity and death and healthcare insurance plans offered to BNP Paribas (SA) employees. He also benefits from death and disability insurance covering all employees of BNP Paribas (SA).

#### Details relating to the annual variable compensation of executive corporate officers

##### Assessment of the achievement of the targets set for 2021

At its meeting of 7 February 2022, the Board of directors assessed the achievement of the objectives set in accordance with the compensation policy.

##### Group performance criteria

Concerning the criterion linked to the change in net earnings per share for the year compared to the previous financial year, its measurement for the Chief Executive Officer Mr Jean-Laurent Bonnafé and the Chief Operating Officer, Mr Philippe Bordenave, as a percentage of the target variable compensation, amounts to 48.75% for 2021 (24.38% for the Chief Operating Officers, Mr Yann Gérardin and Mr Thierry Laborde) after application of the 130% cap.

Concerning the criterion related to the achievement of the gross operating income budget, its measurement for the Chief Executive Officer Mr Jean-Laurent Bonnafé and the Chief Operating Officer, Mr Philippe Bordenave, as a percentage of the target variable compensation, amounts to 41.28% for 2021 (20.64% for the Chief Operating Officers, Mr Yann Gérardin and Mr Thierry Laborde).

In addition, for the Chief Operating Officers, Mr Yann Gérardin and Mr Thierry Laborde:

- Concerning the criterion related to the change in net income before tax for the year compared to the previous year, relating to the scope under their responsibility, its measurement, as a percentage of the target variable compensation, is 24.38% for the CIB and CPBS scopes (application of the cap of 130% for both scopes).
- Concerning the criterion related to the achievement of the gross operating income budget for the scope under their responsibility, its measurement, as a percentage of the target variable compensation, is 23.49% for the CIB scope and 19.26% for the CPBS scope.

	2020	2021	Variation	Application to 37.5% of fixed compensation
<b>Chief Executive Officer – Mr Jean Laurent BONNAFÉ and Chief Operating Officer – Mr Philippe BORDENAVE</b>				
Net earnings per share	5.31	7.26	36.72%	48.75%
Gross operating income	2021 budget*: EUR 13,740 million	Achieved: EUR 15,124 million	10.07%	41.28%



	2020	2021	Variation	Application to 18.75% of fixed compensation
<b>Chief Operating Officers – Mr Yann GÉRARDIN and Mr Thierry LABORDE</b>				
<b>Group</b>				
Net earnings per share	5.31	7.26	36.72%	24.38%
Gross operating income	2021 budget*: EUR 13,740 million	Achieved: EUR 15,124 million	10.07%	20.64%
<b>Scope of responsibility – CIB</b>				
Net income before tax	3,309	4,615	39.47%	24.38%
Gross operating income	2021 budget*: EUR 3,776 million	Achieved: EUR 4,730 million	25.26%	23.49%
<b>Scope of responsibility – CPBS (formerly Retail Banking)</b>				
Net income before tax	4,589	6,403	39.53%	24.38%
Gross operating income	2021 budget*: EUR 8,421 million	Achieved: EUR 8,649 million	2.71%	19.26%

(\*) These data are calculated using the average exchange rate for 2021.

### Criteria linked to the Group's CSR performance

The Board of directors reviewed the achievement of the multi-criteria measurement with regard to the three criteria linked to the Group's CSR performance provided for in the compensation policy, each of which has a 3.33% weighting.

#### (i) Board's assessment of the CSR policy

With respect to the qualitative assessment, the Board of directors considered that this criterion had been achieved taking into account the 2021 highlights in terms of climate and social issues:

BNP Paribas has an ambitious policy of societal engagement, with initiatives to promote ethical responsibility and consideration of social and environmental issues with a clear energy strategy. The Bank's aim is to be a leader in sustainable finance.

- On the economic side, as a major player in sustainable finance:
  - extension of the ESG analysis of counterparties thanks to a new risk assessment tool. In this context, all of the Group's major corporate customers will have been subject to an analysis on five focuses ((i) climate, (ii) pollution and biodiversity, (iii) human rights – workers and (iv) human rights – Local communities and consumers, (v) governance and business ethics) by 2023;
  - allocation of EUR 450 million in investments on his own behalf promoting the environmental transition, natural capital, local development and social impact;
  - the Bank's commitments to achieve a carbon neutral economy by 2050: BNP Paribas is a founding member of the Net Zero Banking Alliance, Cardif joined the Net Zero Asset Owner Alliance and BNP Paribas Asset Management joined the Net Zero Asset Manager Initiative;
  - commitment to reduce the Group's credit exposure to oil and gas exploration and production activities by 12% between 2020 and 2025.

- On the social and civic aspects, to promote a more inclusive society:
  - reinforced prevention measures to protect the health of employees, including vaccination campaigns in France;
  - efficiency of the "About me" digital HR platform recognised by the Digital HR Awards (in partnership with Deloitte): 98% of employees have access to it and more than 2 million skills are declared;
  - continued Group support for MicroFinance Institutions for which an amount of approximately EUR 400 million in the form of financing and investments was allocated in 2021 in the context of the pandemic;
  - EUR 53.5 million in donations were made as part of the Group's Solidarity Patronage (in particular to populations affected by the floods in Europe) and renewal for three years of the Group's integration programme for refugees in Europe (donations of up to EUR 1.5 million in 2021 paid to 27 associations in 10 countries);
  - increase in the number of accounts opened at Nickel (more than 2.4 million accounts at the end of 2021) allowing access to means of payment for fragile customers.
- On the environmental aspect, in support of the energy and environmental transition:
  - creation of the Low-Carbon Transition Group, composed of 250 professionals dedicated to financing the energy transition of the Bank's customers;
  - the Group's position as the 2nd largest global player in terms of green bonds and 1st for the issue of euro-denominated sustainable bonds according to Dealogic;
  - publication of a public position on the preservation of biodiversity and definition of a target of EUR 4 billion in funding contributing to the protection of biodiversity;
  - strengthening of the policy to combat deforestation in the Amazon, which defines new restrictive criteria for granting funding to its soybean and beef-producing customers;
  - launch of a EUR 150 million fund by BNP Paribas and Solar Impulse to support innovative start-ups with high potential for the environmental transition.

*(ii) Market assessment of the CSR policy*

The CSR criterion linked to the Group's position, in relation to its peers, in the extra-financial performance rankings of FTSE, SAM and V.E., was met as BNP Paribas was in the top quartile of their banking sector ratings.

*(iii) Assessment of the CSR policy by alignment with employees*

Regarding the criterion of alignment with the Group's key employees, the three-year CSR target measure set in the retention plan for the Group's key employees were also met.

Consequently, the multi-criteria measure, as a percentage of the target variable compensation, amounts to 10.00% for 2021 for the Chief Executive Officer and the Chief Operating Officer

	CSR – Assessment of the CSR policy			Multi-criteria measurement
	(i) By the Board	(ii) By the market	(iii) Alignment with employees	
Weighting	3.33%	3.33%	3.33%	
Measurement	3.33%	3.33%	3.33%	<b>10.00%</b>

**Qualitative criteria**

The Board of directors assessed the quantitative portion of the annual variable compensation in terms of the application of the criteria provided for in the compensation policy.

For 2021, the Board of directors determined that Mr Jean-Laurent Bonnafé had principally achieved the following:

- operating results in 2021 up compared to 2020 and 2019, demonstrating the Bank's recovery in the context of the Covid-19 health crisis and continued support for the economy, with market share gains acquired in 2020 for certain business lines confirmed. The Group generated a positive scissor effect and prepared for the impacts of the Basel III reform by increasing its CET1 ratio;
- a decisive role in the management of the Bank with (i) the elaboration of the 2022-2025 strategic plan, (ii) the signature of an agreement to sell Bank of the West with BMO Group and (iii) acquisitions intended to strengthen the Group's business model (additional acquisition of 50% of Exane bringing its stake to 100%, acquisition of FLOA, development of the partnership between bpost bank and BNP Paribas Fortis);
- strengthening of the Bank's CSR strategy in terms of (i) the fight against global warming, in particular through financing related to the energy transition and (ii) diversity by helping to accelerate the proportion of women in technology and IT (events organised in 2021 by the Women & Girls in Tech movement);
- the signing of a remote working agreement in France involving BNP Paribas (SA) and 20 subsidiaries, *i.e.* 90% of the Group's workforce in France;
- changes in the governance of the management team (appointment of new Chief Operating Officers and Deputy Chief Executive Officers, renewal and appointment of a number of women on the Group's Executive Committee) and additional commitments to promote women under the new 2025 strategic plan.

For Mr Philippe Bordenave, in line with the assessments made for Mr Jean-Laurent Bonnafé, for the first five months of 2021 as Chief Operating Officer:

- operating results in 2021 up compared to 2019 with his involvement in cost control and in the management of the Bank's balance sheet and liquidity, ensuring a robust capital structure;

- his involvement in the development of the 2025 strategic plan and the integration of Exane and Deutsche Bank's Prime Brokerage activities according to the terms initially agreed;
- his action to improve the Group's information systems and their resilience in order to protect the Bank from cyberattacks and his monitoring of the implementation of the Group's CSR policy commitments;
- his involvement in the reviews carried out by the Single Supervisory Mechanism teams;
- his commitment to ensure the transition with his successors.

For Mr Yann Gérardin, in line with the assessments made for Mr Jean-Laurent Bonnafé and for the seven months of 2021 following his appointment as Chief Operating Officer in charge of CIB:

- the results of the CIB division in 2021, up sharply compared to 2019 (2020 being an exceptional year in terms of business volumes) with the progression of BNP Paribas in the investment bank rankings reflecting its market share gains;
- his role in the elaboration of the 2025 strategic plan for CIB, in the acquisition of the 50% that BNP Paribas did not hold in Exane and in its consolidation as well as in the consolidation of Deutsche Bank's Prime Brokerage activities;
- his commitment to strengthening the adoption of the Code of conduct by the market activities;
- his involvement in the implementation of BNP Paribas' integrated model;
- his action to continue to make CIB a leader in terms of CSR.

And for Mr Thierry Laborde, in line with the assessments made for Mr Jean-Laurent Bonnafé and for the seven months of 2021 following his appointment as Chief Operating Officer in charge of CPBS:

- the results of the CPBS division in 2021, up compared to 2020 with in particular a good performance of the domestic commercial banking networks (formerly Domestic Markets), their net income before tax returning to the level of 2019, in a context of low interest rates and strong growth in the specialised business lines as well as good control of the cost of risk in all CPBS business lines, particularly in Personal Finance;

- his role in the elaboration of the 2025 strategic plan for CPBS, in the promotion of cross-functional initiatives within its business lines and his mobilisation to improve customer satisfaction through the acceleration of digitisation;
- his involvement in the development of BNP Paribas Fortis' partnership with bpost bank, in the acquisition of FLOA and in the negotiation of BNP Paribas Personal Finance's partnership with Stellantis;
- his strong involvement in strategic projects such as the European Payment Initiatives;
- his commitment to continue integrating the ESG dimension into CPBS's business lines.

### Summary

After taking into account all the criteria used to set annual variable compensation, and the evolution of the Group's operating results, the

Board of directors, on the proposal of the Remuneration Committee, set the variable compensation awarded in respect of 2021 at:

- EUR 1,796,769 for Mr Jean-Laurent Bonnafé (representing 115.03% of his target variable compensation);
- EUR 439,093 for Mr Philippe Bordenave in respect of his presence as Chief Operating Officer from 1 January 2021 to 18 May 2021 (representing 115.03% of his target variable compensation);
- EUR 1,093,334 for Mr Yann Gérardin in respect of his presence as Chief Operating Officer from 18 May 2021 (representing 117.89% of his target variable compensation);
- EUR 632,463 for Mr Thierry Laborde in respect of his presence as Chief Operating Officer from 18 May 2021 (representing 113.66% of his target variable compensation).

The result in respect of each criterion is set out in the following table:

		Qualitative criteria				CSR performance criteria	Qualitative criteria	Variable with respect to 2021	Reminder of target variable compensation
		EPS <sup>(2)</sup>	GOI <sup>(3)</sup>	NIBT <sup>(4)</sup>	GOI <sup>(5)</sup>				
		Group	Group	Business	Business				
Jean-Laurent Bonnafé	Weighting <sup>(1)</sup>	37.50%	37.50%			10.00%	15.00%		
	Measurement <sup>(1)</sup>	48.75%	41.28%			10.00%	15.00%	1,796,769	1,562,000
Philippe Bordenave	Weighting <sup>(1)</sup>	37.50%	37.50%			10.00%	15.00%		
	Measurement <sup>(1)</sup>	48.75%	41.28%			10.00%	15.00%	439,093	381,720
Yann Gérardin	Weighting <sup>(1)</sup>	18.75%	18.75%	18.75%	18.75%	10.00%	15.00%		
	Measurement <sup>(1)</sup>	24.38%	20.64%	24.38%	23.49%	10.00%	15.00%	1,093,334	927,419
Thierry Laborde	Weighting <sup>(1)</sup>	18.75%	18.75%	18.75%	18.75%	10.00%	15.00%		
	Measurement <sup>(1)</sup>	24.38%	20.64%	24.38%	19.26%	10.00%	15.00%	632,463	556,452

(1) As a percentage of target variable compensation.

(2) Ratio of earnings per share (EPS) for the year to earnings per share for the previous year.

(3) Achievement of target Gross Operating Income (GOI).

(4) Change in net income before tax (NIBT). Yann Gérardin: CIB scope/Thierry Laborde: CPBS scope (formerly Retail Banking).

(5) Achievement of target Gross Operating Income (GOI). Yann Gérardin: CIB scope/Thierry Laborde: CPBS scope (formerly Retail Banking).

### Terms and conditions of payment

- a) The payment terms for variable compensation of BNP Paribas Group executive corporate officers in respect of 2021, in accordance with the provisions of the French Monetary and Financial Code and the EBA's 2 July 2021 Guidelines on compensation policy are:
- 60% of variable compensation is deferred over five years, at the rate of one-fifth per year;
  - half of the non-deferred portion of the variable compensation is paid in May 2022, subject to the approval of the Shareholders' Annual General Meeting under the terms provided for by article L.22-10-34 II of the French Commercial Code; and half in March 2023, indexed to the performance of the BNP Paribas share since the award;
  - the deferred portion of the variable compensation will be paid in fifths starting in 2023. Each payment will be made half in March every year, and half in March of the following year, indexed to the performance of the BNP Paribas share since the award. The last payment in respect of 2021 will therefore be made in March 2028.

- b) In addition, the annual payment of the deferred variable compensation is subject to the condition that the ROE before tax of the Group for the year preceding the payment is greater than 5%.

The Board of directors noted that this performance condition was met in 2021; accordingly, deferred compensation payable in 2022 in respect of previous plans will be paid.

### Details relating to the conditional long-term incentive plan covering a five-year period (LTIP)

#### LTIP amounts awarded in 2022

In accordance with the compensation policy and on the proposal of the Remuneration Committee, the Board of directors set the LTIP amounts to be awarded in 2022.

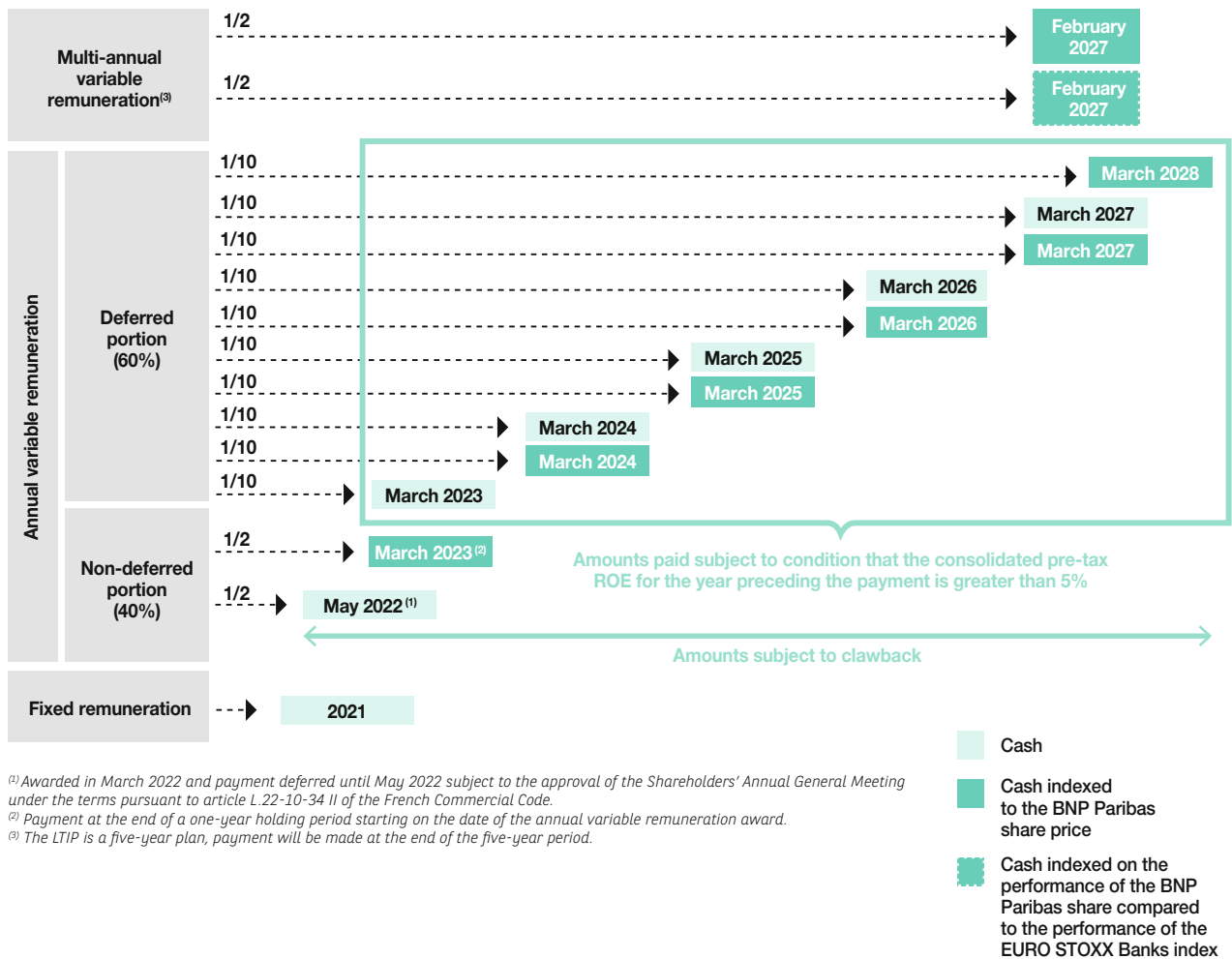
The amount awarded under the LTIP is equal to the target annual variable compensation for 2021.

LTIP awarded on 7 February 2022 (in euros)	Amount awarded <sup>(*)</sup>	Fair value of the amount awarded <sup>(**)</sup>
Jean-Laurent Bonnafé	1,562,000	680,720
Philippe Bordenave	Nil	Nil
Yann Gérardin	927,419	404,169
Thierry Laborde	556,452	242,502

(\*) See explanations above.

(\*\*) Fair value in accordance with IFRS of the amount awarded. The calculation is carried out by an independent expert.

➤ **STRUCTURE OF THE PAYMENT OF THE COMPENSATION OF EXECUTIVE CORPORATE OFFICERS IN RESPECT OF 2021 AFTER TAKING INTO ACCOUNT THE EBA GUIDELINES**



<sup>(1)</sup> Awarded in March 2022 and payment deferred until May 2022 subject to the approval of the Shareholders' Annual General Meeting under the terms pursuant to article L.22-10-34 II of the French Commercial Code.

<sup>(2)</sup> Payment at the end of a one-year holding period starting on the date of the annual variable remuneration award.

<sup>(3)</sup> The LTIP is a five-year plan, payment will be made at the end of the five-year period.

### **Relative proportion of fixed and variable compensation of corporate officers**

The cap on total variable compensation provided for by article L.511-78 of the French Monetary and Financial Code was not exceeded. Pursuant to article L.511-79 of the French Monetary and Financial Code, a discount rate may in addition be applied to no more than 25% of total variable compensation inasmuch as the payment is made in the form of instruments deferred for at least 5 years.

After applying the discount rate to the variable compensation amounts awarded in the form of instruments deferred for five years (discount of 45.05% in accordance with European Banking Authority guidelines on the application of the notional discount rate for variable compensation, published on 27 March 2014), the ratio between total variable compensation and fixed compensation was 1.91 for the Chief Executive Officer Mr Jean-Laurent Bonnafé, 1.12, 1.93 and 1.90 respectively for Messrs Philippe Bordenave, Yann Gérardin and Thierry Laborde as Chief Operating Officers for 2021.

### **Use of "malus" and "claw-back" clauses**

The Board of directors has not been called upon to apply the "malus" and "claw-back" clauses, provided for in the compensation policy defined above.

### **Compensation paid or granted by a company included in the consolidation scope**

No compensation has been paid or granted to directors and corporate officers by a company included in the scope of consolidation of BNP Paribas within the meaning of article L.233-16 of the French Commercial Code.

### **Compensation multiples and changes**

In accordance with the provisions of Article L.22-10-9 of the French Commercial Code and the Afep guidelines on compensation multiples updated in February 2021, the level of compensation of the Chairman of the Board of directors, the Chief Executive Officer and the Chief Operating Officers, with respect to the average compensation and the median compensation based on full-time equivalent employees of BNP Paribas (SA), as well as changes in this compensation, these ratios and the Company's performance criteria, are shown below.

This information is provided over a five-year period.

The employees considered are those of BNP Paribas (SA) in France and its branches, continuously present over a financial year. Compensation due or awarded to employees includes the fixed portion and the variable portion of compensation, commercial bonuses, retention plans, profit-sharing and incentive bonuses, as well as benefits in kind.

The compensation due or awarded to corporate officers equals the fixed compensation, variable compensation, the fair value of the long-term compensation plan, directors' compensation, as well as benefits in kind and information already presented in chapter 2 of this document for 2020 and 2021.

All this compensation, due or awarded, is presented on a gross basis, excluding employer contributions.

The table below shows the compensation multiples and changes for each corporate officer:

					Year
	2017	2018	2019	2020	2021
<b>Performance of the Company</b>					
Net pre-tax income (in millions of euros)	11,310	10,208	11,394	9,822	13,637
Change between N/N-1	1%	-10%	12%	-14%	39%
Operating income (in millions of euros)	10,310	9,169	10,057	8,364	12,199
Change between N/N-1	-4%	-11%	10%	-17%	46%
Net earnings per share (in euros)	6.05	5.73	6.21	5.31	7.26
Change between N/N-1	1%	-5%	8%	-14%	37%
<b>Compensation of employees (in thousands of euros)</b>					
Average compensation	83	82	86	88	93
Change between N/N-1		-2%	5%	2%	6%
Median compensation	54	54	56	57	59
Change between N/N-1		1%	3%	2%	3%
<b>Chairman of the Board of directors</b>					
Compensation of the Chairman of the Board of directors (in thousands of euros)	1,016	1,017	1,014	1,013	1,020
Change between N/N-1		0%	0%	0%	1%
Average compensation of employees ratio	12	12	12	12	11
Change between N/N-1		2%	-5%	-2%	-5%
Median compensation of employees ratio	19	19	18	18	17
Change between N/N-1		-1%	-3%	-2%	-2%
<b>Chief Executive Officer</b>					
Compensation of the Chief Executive Officer (in thousands of euros)	3,686	3,381	3,858	3,756	4,110
Change between N/N-1		-8%	14%	-3%	9%
Average compensation of employees ratio	44	41	45	43	44
Change between N/N-1		-6%	9%	-5%	3%
Median compensation of employees ratio	68	62	69	66	69
Change between N/N-1		-9%	11%	-5%	6%
<b>Chief Operating Officer</b>					
<b>Philippe Bordenave (from 1 January 2021 to 18 May 2021)<sup>(*)</sup></b>					
Compensation of the Chief Operating Officer (in thousands of euros)	2,320	2,126	2,431	2,367	2,153
Change between N/N-1		-8%	14%	-3%	-9%
Average compensation of employees ratio	28	26	28	27	23
Change between N/N-1		-7%	9%	-5%	-14%
Median compensation of employees ratio	43	39	43	42	36
Change between N/N-1		-9%	11%	-4%	-12%
<b>Yann Gérardin (from 18 May 2021)<sup>(**)</sup></b>					
Compensation of the Chief Operating Officer (in thousands of euros)					3,924
Change between N/N-1					
Average compensation of employees ratio					42
Change between N/N-1					
Median compensation of employees ratio					66
Change between N/N-1					
<b>Thierry Laborde (from 18 May 2021)<sup>(**)</sup></b>					
Compensation of the Chief Operating Officer (in thousands of euros)					2,323
Change between N/N-1					
Average compensation of employees ratio					25
Change between N/N-1					
Median compensation of employees ratio					39
Change between N/N-1					

(\*) The term of office of Mr Philippe Bordenave expired on 18 May 2021. The amount deferred corresponds to his compensation for his term of office as Chief Operating Officer in 2021, annualised for comparability purposes.

(\*\*) The terms of office of Mr Yann Gérardin and Mr Thierry Laborde as Chief Operating Officers began on 18 May 2021. Their compensation for 2021 has been annualised for comparability purposes.

#### Application of the provisions of the second paragraph of Article L.225-45 of the French Commercial Code

The provisions of the second paragraph of article L.225-45 of the French Commercial Code do not need to be applied in 2021.

## OTHER INFORMATION ON THE COMPENSATION OF CORPORATE OFFICERS PAID OR AWARDED IN RESPECT OF 2021, NOT SUBMITTED TO THE SHAREHOLDERS' VOTE

The components below, relating to the compensation of corporate officers, reiterate some information already presented in this chapter.

### ► TOTAL COMPENSATION AWARDED IN RESPECT OF 2021 AND COMPARISON WITH 2020

In euros	Jean-Laurent BONNAFÉ		Philippe BORDENAVE		Yann GÉRARDIN		Thierry LABORDE	
	2020	2021	2020	2021	2020 <sup>(*)</sup>	2021	2020 <sup>(*)</sup>	2021
Fixed compensation amount	1,562,000	1,562,000	1,000,000	381,720	Nil	927,419	Nil	556,452
Annual variable compensation awarded	1,479,214	1,796,769	947,000	439,093	Nil	1,093,334	Nil	632,463
<b>Sub-total</b>	<b>3,041,214</b>	<b>3,358,769</b>	<b>1,947,000</b>	<b>820,813</b>	<b>Nil</b>	<b>2,020,753</b>	<b>Nil</b>	<b>1,188,915</b>
LTIP amount (fair value) <sup>(*)</sup>	649,636	680,720	415,900	0	Nil	404,169	Nil	242,502
<b>TOTAL</b>	<b>3,690,850</b>	<b>4,039,489</b>	<b>2,362,900</b>	<b>820,813</b>	<b>NIL</b>	<b>2,424,922</b>	<b>NIL</b>	<b>1,431,417</b>

(\*) This is an estimated value at the award date. The final amount will be known at the date of payment.

(\*\*) Mr Yann Gérardin and Mr Thierry Laborde took over as Chief Operating Officers with effect from 18 May 2021.

### Share ownership

The Board of directors has decided that the minimum number of shares that Messrs Jean Lemierre, Jean-Laurent Bonnafé, Yann Gérardin and Thierry Laborde shall be required to hold for the duration of their terms of office shall be 10,000, 80,000, 30,000 and 20,000 shares respectively. The four interested parties have complied with this obligation, through the direct ownership of shares or units in the Company Savings Plan fully invested in BNP Paribas shares. The Board granted a compliance period to Mr Thierry Laborde enabling him to carry out the necessary transactions by 31 December 2022. Lastly, Mr Philippe Bordenave has held a minimum of 30,000 shares during the course of his duties as Chief Operating Officer. As a reminder, his duties ended on 18 May 2021.

### Quantitative information on the compensation of corporate officers

The table below shows the gross compensation awarded in respect of the year, including compensation linked to a term of directorship and benefits in kind, for each corporate officer.

► SUMMARY TABLE OF THE COMPENSATION AWARDED TO EACH CORPORATE OFFICER

In euros		2020	2021
		Total awarded	Total awarded
Jean LEMIERRE Chairman of the Board of directors	Fixed compensation	950,000	950,000
	Annual variable compensation	Nil	Nil
	Multi-annual variable compensation	Nil	Nil
	Value of stock options granted during the year	Nil	Nil
	Value of performance shares awarded during the year	Nil	Nil
	<b>Sub-total</b>	<b>950,000</b>	<b>950,000</b>
	Extraordinary compensation	Nil	Nil
	Compensation linked to the term of directorship	58,447	64,432
	Benefits in kind <sup>(1)</sup>	4,491	5,163
	<b>TOTAL</b>	<b>1,012,938</b>	<b>1,019,595</b>
Jean-Laurent BONNAFÉ Chief Executive Officer	Fixed compensation	1,562,000	1,562,000
	Annual variable compensation	1,479,214	1,796,769
	Multi-annual variable compensation <sup>(2)</sup>	649,636	680,720
	Value of stock options granted during the year	Nil	Nil
	Value of performance shares awarded during the year	Nil	Nil
	<b>Sub-total</b>	<b>3,690,850</b>	<b>4,039,489</b>
	Extraordinary compensation	Nil	Nil
	Compensation linked to the term of directorship	58,447	64,432
	Benefits in kind <sup>(1)</sup>	6,507	6,481
	<b>TOTAL</b>	<b>3,755,804</b>	<b>4,110,402</b>
Philippe BORDENAVE Chief Operating Officer from 1 January to 18 May 2021	Fixed compensation	1,000,000	381,720
	Annual variable compensation	947,000	439,093
	Multi-annual variable compensation <sup>(2)</sup>	415,900	0
	Value of stock options granted during the year	Nil	Nil
	Value of performance shares awarded during the year	Nil	Nil
	<b>Sub-total</b>	<b>2,362,900</b>	<b>820,813</b>
	Extraordinary compensation	Nil	Nil
	Compensation linked to the term of directorship	Nil	Nil
	Benefits in kind <sup>(1)</sup>	3,953	952
	<b>TOTAL</b>	<b>2,366,853</b>	<b>821,765</b>
Yann GÉRARDIN Chief Operating Officer from 18 May 2021	Fixed compensation	Nil	927,419
	Annual variable compensation	Nil	1,093,334
	Multi-annual variable compensation <sup>(2)</sup>	Nil	404,169
	Value of stock options granted during the year	Nil	Nil
	Value of performance shares awarded during the year	Nil	Nil
	<b>Sub-total</b>	<b>Nil</b>	<b>2,424,922</b>
	Extraordinary compensation	Nil	Nil
	Compensation linked to the term of directorship	Nil	Nil
	Benefits in kind <sup>(1)</sup>	Nil	1,433
	<b>TOTAL</b>	<b>NIL</b>	<b>2,426,355</b>



In euros		2020	2021
		Total awarded	Total awarded
Thierry LABORDE Chief Operating Officer from 18 May 2021	Fixed compensation	Nil	556,452
	Annual variable compensation	Nil	632,463
	Multi-annual variable compensation <sup>(2)</sup>	Nil	242,502
	Value of stock options granted during the year	Nil	Nil
	Value of performance shares awarded during the year	Nil	Nil
	<b>Sub-total</b>	<b>Nil</b>	<b>1,431,417</b>
	Extraordinary compensation	Nil	Nil
	Compensation linked to the term of directorship	Nil	Nil
	Benefits in kind <sup>(1)</sup>	Nil	4,588
	<b>TOTAL</b>	<b>Nil</b>	<b>1,436,005</b>

(1) The Chairman of the Board of directors, the Chief Executive Officer and the Chief Operating Officers, if applicable, have a company car and a mobile phone. The Chief Executive Officer and Chief Operating Officers receive Executive Committee professional life insurance, for which the Company's contribution is recognised as a benefit in kind.

(2) Value of amount awarded subject to certain performance conditions.

The tables below show the gross compensation paid in 2021, including compensation linked to directorships and benefits in kind, for each corporate officer.

### ► SUMMARY TABLE OF COMPENSATION PAID AS CORPORATE OFFICER

In euros		2020	2021
		Amounts paid	Amounts paid
Jean LEMIERRE Chairman of the Board of directors	Fixed compensation	950,000	950,000
	Annual variable compensation	Nil	Nil
	Multi-annual variable compensation	Nil	Nil
	Extraordinary compensation	Nil	Nil
	Compensation linked to the term of directorship	58,447	64,432
	Benefits in kind <sup>(1)</sup>	4,491	5,163
<b>TOTAL</b>	<b>1,012,938</b>	<b>1,019,595</b>	
Jean-Laurent BONNAFÉ Chief Executive Officer	Fixed compensation	1,562,000	1,562,000
	Annual variable compensation	1,151,790	1,220,036
	of which annual variable compensation in respect of 2020	Nil	295,843
	of which annual variable compensation in respect of 2019	322,303	405,996
	of which annual variable compensation in respect of 2018	461,750	180,750
	of which annual variable compensation in respect of 2017	175,118	161,107
	of which annual variable compensation in respect of 2016	192,619	176,340
	Multi-annual variable compensation	0 <sup>(2)</sup>	0 <sup>(2)</sup>
	Extraordinary compensation	Nil	Nil
	Compensation linked to the term of directorship	58,447	64,432
Benefits in kind <sup>(1)</sup>	6,507	6,481	
<b>TOTAL</b>	<b>2,778,744</b>	<b>2,852,949</b>	

In euros		2020	2021
		Amounts paid	Amounts paid
Philippe BORDENAVE Chief Operating Officer from 1 January to 18 May 2021	Fixed compensation	1,000,000	381,720
	Annual variable compensation	737,294	781,041
	<i>of which annual variable compensation in respect of 2020</i>	<i>Nil</i>	<i>189,400</i>
	<i>of which annual variable compensation in respect of 2019</i>	<i>206,340</i>	<i>259,947</i>
	<i>of which annual variable compensation in respect of 2018</i>	<i>295,591</i>	<i>115,711</i>
	<i>of which annual variable compensation in respect of 2017</i>	<i>112,068</i>	<i>103,106</i>
	<i>of which annual variable compensation in respect of 2016</i>	<i>123,295</i>	<i>112,877</i>
	Multi-annual variable compensation	0 <sup>(2)</sup>	0 <sup>(2)</sup>
	Extraordinary compensation	Nil	Nil
	Compensation linked to the term of directorship	0	0
Benefits in kind <sup>(1)</sup>	3,953	952	
<b>TOTAL</b>	<b>1,741,247</b>	<b>1,163,713</b>	
Yann GÉRARDIN Chief Operating Officer from 18 May 2021	Fixed compensation	Nil	927,419
	Annual variable compensation	Nil	0
	<i>of which annual variable compensation in respect of 2020</i>	<i>Nil</i>	<i>0</i>
	<i>of which annual variable compensation in respect of 2019</i>	<i>Nil</i>	<i>0</i>
	<i>of which annual variable compensation in respect of 2018</i>	<i>Nil</i>	<i>0</i>
	<i>of which annual variable compensation in respect of 2017</i>	<i>Nil</i>	<i>0</i>
	<i>of which annual variable compensation in respect of 2016</i>	<i>Nil</i>	<i>0</i>
	Multi-annual variable compensation	Nil	0
	Extraordinary compensation	Nil	Nil
	Compensation linked to the term of directorship	Nil	0
Benefits in kind <sup>(1)</sup>	Nil	1,433	
<b>TOTAL</b>	<b>NIL</b>	<b>928,852</b>	
Thierry LABORDE Chief Operating Officer from 18 May 2021	Fixed compensation	Nil	556,452
	Annual variable compensation	Nil	0
	<i>of which annual variable compensation in respect of 2020</i>	<i>Nil</i>	<i>0</i>
	<i>of which annual variable compensation in respect of 2019</i>	<i>Nil</i>	<i>0</i>
	<i>of which annual variable compensation in respect of 2018</i>	<i>Nil</i>	<i>0</i>
	<i>of which annual variable compensation in respect of 2017</i>	<i>Nil</i>	<i>0</i>
	<i>of which annual variable compensation in respect of 2016</i>	<i>Nil</i>	<i>0</i>
	Multi-annual variable compensation	Nil	0
	Extraordinary compensation	Nil	Nil
	Compensation linked to the term of directorship	Nil	0
Benefits in kind <sup>(1)</sup>	Nil	4,588	
<b>TOTAL</b>	<b>NIL</b>	<b>561,040</b>	

The average tax and social contribution rate on this compensation was 37% in 2021 (38% in 2020).

- (1) The Chairman of the Board of directors, the Chief Executive Officer and the Chief Operating Officers, if applicable, have a company car and a mobile phone. The Chief Executive Officer and Chief Operating Officers receive Executive Committee professional life insurance, for which the Company's contribution is recognised as a benefit in kind.
- (2) The LTIP granted in 2015 and 2016 did not give rise to any payment in 2020 and 2021 due to the failure to achieve the performance condition linked to the change in value of the BNP Paribas share. Therefore, the associated performance condition (change in value of the BNP Paribas share compared to that of EURO STOXX Banks) led to 98% of the amount awarded being maintained for the LTIP in 2015 and 2016, while the minimum performance of the BNP Paribas share during the reference period of 5%, required to trigger the payment, has not been achieved.

➤ **SUMMARY TABLE OF COMPENSATION PAID DURING THEIR TERMS OF OFFICE, IN RESPECT OF THEIR PREVIOUS ACTIVITIES AS EMPLOYEES OF THE GROUP**

In euros		2020	2021
		Amounts paid	Amounts paid
Yann GÉRARDIN Chief Operating Officer from 18 May 2021	Fixed compensation	Nil	Nil
	Annual variable compensation <sup>(1)</sup>	Nil	1,075,361
	of which annual variable compensation in respect of 2020	Nil	515,073
	of which annual variable compensation in respect of 2019	Nil	117,424
	of which annual variable compensation in respect of 2018	Nil	163,401
	of which annual variable compensation in respect of 2017	Nil	136,241
	of which annual variable compensation in respect of 2016	Nil	143,222
	Multi-annual variable compensation	Nil	Nil
	Extraordinary compensation	Nil	Nil
	Compensation linked to the term of directorship	Nil	Nil
Benefits in kind	Nil	Nil	
<b>TOTAL</b>	<b>NIL</b>	<b>1,075,361</b>	
Thierry LABORDE Chief Operating Officer from 18 May 2021	Fixed compensation	Nil	Nil
	Annual variable compensation <sup>(1)</sup>	Nil	285,518
	of which annual variable compensation in respect of 2020	Nil	221,214
	of which annual variable compensation in respect of 2019	Nil	23,398
	of which annual variable compensation in respect of 2018	Nil	23,016
	of which annual variable compensation in respect of 2017	Nil	9,981
	of which annual variable compensation in respect of 2016	Nil	7,909
	Multi-annual variable compensation	Nil	Nil
	Extraordinary compensation	Nil	Nil
	Compensation linked to the term of directorship	Nil	Nil
Benefits in kind	Nil	Nil	
<b>TOTAL</b>	<b>NIL</b>	<b>285,518</b>	

(1) The amounts shown here correspond to the deferred variable compensation awarded in respect of the previous salaried activities of the corporate officers, prior to their term of office.  
The average tax and social contribution rate on this compensation was 37% in 2021.

➤ **STOCK SUBSCRIPTION OR PURCHASE OPTIONS GRANTED DURING THE YEAR TO EACH CORPORATE OFFICER BY THE ISSUER AND BY EACH COMPANY IN THE GROUP**

No stock subscription or purchase options were awarded during the year to the corporate officers by the Company or by any other Group company.

➤ **STOCK SUBSCRIPTION OR PURCHASE OPTIONS EXERCISED DURING THE YEAR BY EACH CORPORATE OFFICER**

No stock subscription or purchase options were exercised during the year by the corporate officers.

➤ **PERFORMANCE SHARES GRANTED DURING THE YEAR TO EACH CORPORATE OFFICER BY THE ISSUER AND BY EACH COMPANY IN THE GROUP**

No performance share was granted during the year to corporate officers by the Company or any company in the Group.

➤ **PERFORMANCE SHARES THAT BECAME AVAILABLE DURING THE YEAR FOR EACH CORPORATE OFFICER**

No performance share became available during the year for the corporate officers.

➤ **HISTORY OF STOCK SUBSCRIPTION AND PURCHASE OPTIONS**

None.

➤ **HISTORY OF PERFORMANCE SHARE AWARDS**

None.

### ► VALUATION<sup>(1)</sup> OF THE LTIP PLANS AT THE AWARD DATE AND AT 31 DECEMBER 2021

Award date of the plan	06/02/2017		05/02/2018		05/02/2019		04/02/2020		04/02/2021		07/02/2022
Maturity date of the plan	06/02/2022		05/02/2023		05/02/2024		04/02/2025		04/02/2026		
	At the award date of the plan	To 31/12/2021	At the award date of the plan	To 31/12/2021	At the award date of the plan	To 31/12/2021	At the award date of the plan	To 31/12/2021	At the award date of the plan	To 31/12/2021	At the award date of the plan
Valuation <sup>(1)</sup>											
Jean LEMIERRE	-	-	-	-	-	-	-	-	-	-	-
Jean-Laurent BONNAFÉ	775,767	1,405,644	479,065	842,699	282,644	1,108,708	617,927	1,191,962	649,636	1,168,688	680,720
Philippe BORDENAVE	496,650	899,900	306,700	539,500	180,950	709,800	395,600	763,100	415,900	748,200	-
Yann GÉRARDIN	-	-	-	-	-	-	-	-	-	-	404,169
Thierry LABORDE	-	-	-	-	-	-	-	-	-	-	242,502
<b>TOTAL</b>	<b>1,272,417</b>	<b>2,305,544</b>	<b>785,765</b>	<b>1,382,199</b>	<b>463,594</b>	<b>1,818,508</b>	<b>1,013,527</b>	<b>1,955,062</b>	<b>1,065,536</b>	<b>1,916,888</b>	<b>1,327,391</b>

(1) Valuation according to the method adopted for the consolidated financial statements.

### ► ASSUMPTIONS USED TO VALUE THE LTIP IN ACCORDANCE WITH THE METHOD ADOPTED FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Valuation at award date		
Award date of the plan		04/02/2021 07/02/2022
Opening price of BNP Paribas share	€42.03	€65.00
Opening level of the EURO STOXX Banks index	€74.41	€110.61
Zero-coupon rate	Euribor	Euribor
Volatility of the BNP Paribas share	21.25%	24.82%
Volatility of the EURO STOXX Banks index	24.11%	23.48%
Correlation between the BNP Paribas share and the EURO STOXX Banks index	92.13%	93.95%
Financial model used	Monte-Carlo	Monte-Carlo
<b>Fair value of the plan at award date<sup>(*)</sup></b>	<b>41.59%</b>	<b>43.58%</b>

(\*) As a percentage of the amount awarded.

	Initial value of the share at the award date	Fair value at date of award <sup>(2)</sup>	Valuation at closing date 31/12/2020	Valuation at closing date 31/12/2021
Closing price of BNP Paribas share			€43.11	€60.77
Closing level of the EURO STOXX Banks index			€73.77	€100.44
Zero-coupon rate			Euribor	Euribor
Volatility of the BNP Paribas share			22.00%	24.61%
Volatility of the EURO STOXX Banks index			24.12%	24.21%
Correlation between the BNP Paribas share and the EURO STOXX Banks index			92.05%	94.38%
Financial model used			Monte-Carlo	Monte-Carlo
<b>Fair value of the plan awarded on 6 February 2017</b>	<b>€48,35<sup>(1)</sup></b>	<b>49,67%</b>	<b>52.40%</b>	<b>89.99%</b>
<b>Fair value of the plan awarded on 5 February 2018</b>	<b>€63,99<sup>(1)</sup></b>	<b>30,67%</b>	<b>36.90%</b>	<b>53.95%</b>
<b>Fair value of the plan awarded on 5 February 2019</b>	<b>€53,03<sup>(1)</sup></b>	<b>18,10%</b>	<b>42.29%</b>	<b>70.98%</b>
<b>Fair value of the plan awarded on 4 February 2020</b>	<b>€45,27<sup>(1)</sup></b>	<b>39,56%</b>	<b>44.33%</b>	<b>76.31%</b>
<b>Fair value of the plan awarded on 4 February 2021</b>	<b>€36,83<sup>(1)</sup></b>	<b>41.59%</b>		<b>74.82%</b>

(1) The initial value is the average of the opening price of the BNP Paribas share for the rolling 12-month period preceding the award date.

(2) As a percentage of the amount awarded.

## ► DETAILED CONTRACTUAL SITUATION OF THE GROUP'S CORPORATE OFFICERS

Corporate officers in 2021	Employment contract		Top-up pension plan		Payments or benefits due or likely to become due upon termination or change in functions		Non-compete indemnity	
	Yes	No	Yes	No	Yes	No	Yes	No
<b>Mr Jean LEMIERRE</b> Chairman of the Board of directors		✓ <sup>(1)</sup>		✓ <sup>(2)</sup>		✓		✓
<b>Mr Jean-Laurent BONNAFÉ</b> Chief Executive Officer		✓ <sup>(3)</sup>		✓ <sup>(2)</sup>		✓		✓ <sup>(4)</sup>
<b>Mr Philippe BORDENAVE</b> Chief Operating Officer (until 18 May 2021)	✓ <sup>(5)</sup>			✓ <sup>(2)</sup>		✓		✓
<b>Mr Yann GÉRARDIN</b> Chief Operating Officer (from 18 May 2021)	✓ <sup>(5)</sup>			✓ <sup>(2)</sup>		✓		✓
<b>Mr Thierry LABORDE</b> Chief Operating Officer (from 18 May 2021)	✓ <sup>(5)</sup>			✓ <sup>(2)</sup>		✓		✓

(1) Waiver of employment contract with effect from 1 December 2014 in accordance with Afep-Medef Code.

(2) Messrs Jean Lemierre, Jean-Laurent Bonnafé, Philippe Bordenave, Yann Gérardin and Thierry Laborde benefit exclusively from the pension plan set up for all BNP Paribas (SA) employees in accordance with article 83 of the French General Tax Code.

(3) Waiver of employment contract with effect from 1 July 2012.

(4) See Section regarding the Non-compete agreement.

(5) Employment contract suspended.

## SUMMARY OF TRANSACTIONS REPORTED ON BNP PARIBAS STOCK

The following table lists the transactions in BNP Paribas stock carried out in 2021 by the directors and corporate officers covered by articles 223-22 A to 223-26 of the General Regulation of the AMF and which must be disclosed pursuant to the AMF regulations.

Full name Function	Transactions carried out	Type of financial instrument	Nature of the transaction	Number of transactions	Amount of transactions (in euros)
BONNAFÉ Jean-Laurent Chief Executive Officer	On a personal basis	BNP Paribas Equities	Purchase	1	68,815
BONNAFÉ Jean-Laurent Chief Executive Officer	On a personal basis	BNP Paribas Equities	Subscription under a life insurance policy	2	154,156
LABORDE Thierry Chief Operating Officer	On a personal basis	BNP Paribas Equities	Purchase	4	55,199
GÉRARDIN Yann Chief Operating Officer	On a personal basis	BNP Paribas Equities	Purchase	1	70,025
NOYER Christian Director	On a personal basis	BNP Paribas Equities	Purchase	1	51,670
LEMIERRE Jean Chairman	On a personal basis	BNP Paribas Equities	Purchase	1	3,451

### 2.1.4 OTHER INFORMATION

#### 1 INFORMATION ON SHARE SUBSCRIPTION OR PURCHASE OPTIONS AND PERFORMANCE SHARES

The Company did not grant any instruments to employees who are not directors or corporate officers in 2021.

No instruments were transferred or exercised in 2021, for the benefit of employees who are not directors or corporate officers.

#### 2 LOANS, ADVANCES AND GUARANTEES GRANTED TO THE GROUP'S DIRECTORS AND CORPORATE OFFICERS

As at 31 December 2021, the total outstanding loans granted directly or indirectly to corporate officers and their spouses and dependent children amounted to EUR 6,392,969 (EUR 15,233,737 as at 31 December 2020). This represents the total amount of loans granted to BNP Paribas' directors and corporate officers, their spouses and dependent children. These loans representing normal transactions were carried out at arm's length, in accordance with the Implementation procedure for conflicts of interest in relation to loans and other transactions granted to the members of the management body and their related parties.

### 3 TABLE OF DELEGATIONS

#### Resolutions adopted at Shareholders' Annual General Meetings valid for 2021

The following delegations to increase or reduce the share capital have been granted to the Board of directors under resolutions approved by Shareholders' General Meetings and were valid during 2021:

Resolutions adopted at Shareholders' General Meetings	Use of authorisation in 2021
<p>Shareholders' Combined General Meeting of 19 May 2020 (5th resolution)</p> <p>Authorisation given to the Board of directors to set up a share buyback programme for the Company up to a maximum of 10% of the shares comprising the share capital. Said acquisitions of shares, at a price not exceeding EUR 73 per share (previously EUR 73), would be intended to fulfil several objectives including:</p> <ul style="list-style-type: none"> <li>■ fulfilling obligations arising from the issue of securities giving access to capital, stock option programmes, the award of free shares, the award or assignment of shares to employees in connection with the employee profit-sharing scheme or Company Savings Plans, and all forms of share grants to employees and/or directors and officers of BNP Paribas and the companies controlled exclusively by BNP as defined in article L.233-16 of the French Commercial Code;</li> <li>■ cancelling shares in accordance with conditions set by the Shareholders' Combined General Meeting of 23 May 2019 (17th resolution);</li> <li>■ holding and subsequently remitting them in exchange or payment for external growth transactions, mergers, spin-offs or asset contributions;</li> <li>■ holding them in connection with a market-making agreement complying with the Code of Ethics recognised by the AMF (French Financial Markets Authority);</li> <li>■ and carrying out investment services for which BNP Paribas is authorised or to hedge them.</li> </ul> <p>That authorisation was granted for a period of 18 months and replaces that granted by the 5th resolution of the Shareholders' Combined General Meeting of 23 May 2019.</p>	<p>This authorisation was not used during the period</p>
<p>Shareholders' Combined General Meeting of 19 May 2020 (19th resolution)</p> <p>Capital increase, with preferential subscription rights maintained, through the issue of ordinary shares and share equivalents giving access immediately or in the future to shares to be issued. The nominal amount of capital increases that may be carried out immediately and/or in the future, by virtue of this authorisation, may not exceed EUR 1 billion (i.e. 500 million shares). That authorisation was granted for a period of 26 months and replaces that granted by the 19th resolution of the Shareholders' Combined General Meeting of 24 May 2018.</p>	<p>This authorisation was not used during the period</p>
<p>Shareholders' Combined General Meeting of 19 May 2020 (20th resolution)</p> <p>Capital increase, without preferential subscription rights, by issue of ordinary shares and share equivalents giving access immediately or in the future to shares to be issued. The nominal amount of capital increases that may be carried out, immediately and/or in the future, by virtue of this authorisation, may not exceed EUR 240 million (i.e. 120 million shares). That authorisation was granted for a period of 26 months and replaces that granted by the 20th resolution of the Shareholders' Combined General Meeting of 24 May 2018.</p>	<p>This authorisation was not used during the period</p>
<p>Shareholders' Combined General Meeting of 19 May 2020 (21st resolution)</p> <p>Capital increase, without preferential subscription rights, through the issue of ordinary shares and share equivalents giving access immediately or in the future to shares to be issued intended to remunerate contributions of securities up to 10% of the share capital. The nominal amount of capital increases that may be carried out on one or more occasions, by virtue of this authorisation, may not exceed 10% of the share capital of BNP Paribas as at the date of the decision of the Board of directors. This delegation was given for a period of 26 months and replaces that granted by the 21st resolution of the Shareholders' Combined General Meeting of 24 May 2018.</p>	<p>This authorisation was not used during the period</p>
<p>Shareholders' Combined General Meeting of 19 May 2020 (22nd resolution)</p> <p>Overall limit on authorisations to issue shares with cancellation or without preferential subscription rights for existing shareholders. The maximum overall amount for all issues with cancellation or without preferential subscription rights for existing shareholders carried out immediately and/or in the future may not exceed EUR 240 million for shares by virtue of the authorisations granted under the 20th and 21st resolutions of this Shareholders' Combined General Meeting of 19 May 2020.</p>	<p>This authorisation was not used during the period</p>

Resolutions adopted at Shareholders' General Meetings		Use of authorisation in 2021
Shareholders' Combined General Meeting of 19 May 2020 (23rd resolution)	<p>Capital increase by capitalising reserves, retained earnings, additional paid-in capital or contribution premium.</p> <p>Authorisation was given to increase the share capital up to a maximum amount of EUR 1 billion on one or more occasions, by capitalising all or part of the reserves, profits or additional paid-in capital, merger or contribution premiums, successively or simultaneously, through the issuance and award of free shares, through an increase in the par value of existing shares, or through a combination of these two methods.</p> <p>That authorisation was granted for a period of 26 months and replaces that granted by the 23rd resolution of the Shareholders' Combined General Meeting of 24 May 2018.</p>	This authorisation was not used during the period
Shareholders' Combined General Meeting of 19 May 2020 (24th resolution)	<p>Overall limit on authorisations to issue shares with, with cancellation or without preferential subscription rights for existing shareholders.</p> <p>The maximum overall amount for all issues with or without preferential subscription rights for existing shareholders carried out immediately and/or in the future may not exceed EUR 1 billion for shares by virtue of the authorisations granted under the 19th to 21st resolutions of the Shareholders' Combined General Meeting of 19 May 2020.</p>	This authorisation was not used during the period
Shareholders' Combined General Meeting of 19 May 2020 (25th resolution)	<p>Authorisation granted to the Board of directors to carry out transactions reserved for members of the BNP Paribas Group Company Savings Plan, with cancellation of preferential subscription rights, which may take the form of capital increases and/or disposals of reserved titles.</p> <p>Authorisation was given to increase the share capital within the limit of a maximum nominal amount of EUR 46 million on one or more occasions by issuing ordinary shares (with cancellation of preferential subscription rights for existing shareholders), reserved for members of the BNP Paribas Group's Company Savings Plan, or by selling of shares.</p> <p>That authorisation was granted for a period of 26 months and replaces that granted by the 25th resolution of the Shareholders' Combined General Meeting of 24 May 2018.</p>	This authorisation was not used during the period
Shareholders' Combined General Meeting of 19 May 2020 (26th resolution)	<p>Authorisation granted to the Board of directors to reduce share capital by cancelling shares. Authorisation is given to cancel, on one or more occasions, through reduction of the share capital, all or some of the shares that BNP Paribas holds and that it could hold, up to a maximum of 10% of the total number of shares constituting the share capital existing as at the date of the transaction, for a period of 24 months.</p> <p>Delegation of all powers to carry out this reduction in share capital, and allocate the difference between the purchase price of the cancelled shares and their nominal value to share premium and retained earnings, including the legal reserve up to 10% of the share capital cancelled.</p> <p>That authorisation was granted for a period of 18 months and replaces that granted by the 17th resolution of the Shareholders' Combined General Meeting of 23 May 2019.</p>	This authorisation was not used during the period
Shareholders' Combined General Meeting of 18 May 2021 (5th resolution)	<p>Authorisation given to the Board of directors to set up a share buyback programme for the Company up to a maximum of 10% of the shares comprising the share capital.</p> <p>Said acquisitions of shares, at a price not exceeding EUR 73 per share (previously EUR 73), would be intended to fulfil several objectives including:</p> <ul style="list-style-type: none"> <li>■ fulfilling obligations arising from the issue of securities giving access to capital, stock option programmes, the award of free shares, the award or assignment of shares to employees in connection with the employee profit-sharing scheme or Company Savings Plans, and all forms of share grants to employees and/or directors and officers of BNP Paribas and the companies controlled exclusively by BNP as defined in article L.233-16 of the French Commercial Code;</li> <li>■ cancelling shares in accordance with conditions set by the Shareholders' Combined General Meeting of 19 May 2020 (26th resolution);</li> <li>■ holding and subsequently remitting them in exchange or payment for external growth transactions, mergers, spin-offs or asset contributions;</li> <li>■ holding them in connection with a market-making agreement complying with the Code of Ethics recognised by the AMF (French Financial Markets Authority);</li> <li>■ and carrying out investment services for which BNP Paribas is authorised or to hedge them.</li> </ul> <p>That authorisation was granted for a period of 18 months and replaces that granted by the 5th resolution of the Shareholders' Combined General Meeting of 19 May 2020.</p>	This authorisation was not used during the period



Resolutions adopted at Shareholders' General Meetings	Use of authorisation in 2021
<p>Shareholders' Combined General Meeting of 18 May 2021 (20th resolution)</p> <p>Authorisation granted to the Board of directors to reduce share capital by cancelling shares. Authorisation is given to cancel, on one or more occasions, through reduction of the share capital, all or some of the shares that BNP Paribas holds and that it could hold, up to a maximum of 10% of the total number of shares constituting the share capital existing as at the date of the transaction, for a period of 24 months.</p> <p>Delegation of all powers to carry out this reduction in share capital, and allocate the difference between the purchase price of the cancelled shares and their nominal value to share premium and retained earnings, including the legal reserve up to 10% of the share capital cancelled.</p> <p>That authorisation was granted for a period of 18 months and replaces that granted by the 26th resolution of the Shareholders' Combined General Meeting of 19 May 2020.</p>	<p>Cancellation of 15,466,915 shares with a par value of EUR 2 on 14 December 2021</p>

#### 4 ITEMS LIKELY TO HAVE AN IMPACT IN THE EVENT OF A PUBLIC TENDER OFFER OR EXCHANGE OFFER (ARTICLE L.22-10-11 OF THE FRENCH COMMERCIAL CODE)

Among the items referred to in article L.22-10-11 of the French Commercial Code, there is no item likely to have an impact in the event of a public tender or exchange offer.

## 2.2 Statutory auditors' report, prepared in accordance with article L.22-10-71 of the French Commercial Code, on the Board of directors' Corporate governance report

The comments required by Article L.22-10-71 of the French Commercial Code are covered in the Statutory Auditor's report on the parent company financial statements (chapter 6.6).

## 2.3 The Executive Committee

At 8 February 2022, the BNP Paribas Executive Committee had the following members:

- **Jean-Laurent Bonnafé**, director and Chief Executive Officer;
- **Yann Gérardin**, Deputy Chief Executive Officer, Corporate and Institutional Banking;
- **Thierry Laborde**, Deputy Chief Executive Officer, Commercial, Personal Banking and Services;
- **Laurent David**, Deputy Chief Operating Officer;
- **Renaud Dumora**, Deputy Chief Operating Officer;
- **Marguerite Berard**, Head of Commercial Banking in France;
- **Stefaan Decraene**, Head of International Retail Banking;
- **Charlotte Dennerly**, Chief Executive Officer of BNP Paribas Personal Finance;
- **Elena Goitini**, Chief Executive Officer of BNL;
- **Maxime Jadot**, director and Chief Executive Officer and Chairman of the Management Committee of BNP Paribas Fortis;
- **Yannick Jung**, Head of CIB Global Banking EMEA;
- **Pauline Leclerc-Glorieux**, Chief Executive Officer of BNP Paribas Cardif;
- **Olivier Osty**, Head of CIB Global Markets;
- **Bernard Gavagni**, Group Chief Information Officer;
- **Nathalie Hartmann**, Head of Compliance;
- **Lars Machenil**, Group Chief Financial Officer;
- **Sofia Merlo**, Head of Group Human Resources;
- **Frank Roncey**, Group Chief Risk Officer;
- **Antoine Sire**, Head of Corporate Engagement;

The BNP Paribas Executive Committee has had a permanent Secretariat since November 2007.

## 2.4 Internal control

The following information relating to internal control was submitted to the Group's Executive Management. The Chief Executive Officer, as executive director, is responsible for the organisation and procedures of internal control and for all information required by French law regarding the internal control report. This document is based on the information provided by the Compliance, RISK, Finance, LEGAL and General Inspection Functions. It has been approved by the Board of directors.

### BNP PARIBAS' INTERNAL CONTROL STANDARDS

The principles and procedures for the internal control of banking activities in France and abroad are at the heart of banking and financial regulations and are subject to numerous legislative and regulatory provisions.

The main text applicable to BNP Paribas is the Ministerial Order of 3 November 2014. This text sets out the conditions for the implementation and monitoring of internal control in credit institutions and investment firms, in compliance with the European Directive CRD 4. In particular, it specifies the principles relating to internal transaction control systems and procedures, organisation of accounting and information processing, risk and result measurement systems, risk monitoring and control systems, and the information and documentation system for internal control. Article 258 of the Order provides for the drafting for the Board of directors of an annual regulatory report on the conditions under which internal control is implemented.

This Order requires BNP Paribas to have an internal control system (hereinafter Internal control) comprising specific departments and persons responsible for permanent control (including the Compliance and Risk Functions) and periodic control. This system must also take into account, as appropriate, the general regulation of the AMF, the regulations applicable to foreign branches and subsidiaries and to specialised activities such as portfolio management and insurance, and the recommendations of leading international bodies dealing with issues related to the prudential regulation of international banks, first and foremost the Basel Committee, the Financial Stability Board, the European Authorities, the European Securities and Markets Authority, the European Central Bank and the French *Autorité de contrôle prudentiel et de résolution*.

### DEFINITION, OBJECTIVES AND STANDARDS OF INTERNAL CONTROL

The BNP Paribas Group's Executive Management has implemented an internal control system whose main purpose is to ensure overall control of the risks and to provide reasonable assurance that the Company's objectives in this respect are achieved.

The BNP Paribas Internal Control Charter specifies the framework of this system and constitutes BNP Paribas' basic internal control framework. Widely distributed within the Group and accessible to all its employees,

this charter firstly recalls the objectives of internal control, which aims to ensure:

- a sound and prudent risk management approach, aligned with BNP Paribas' values and Code of conduct in conjunction with the policies outlined in its corporate social responsibility framework;
- operational security of BNP Paribas' internal operations;
- the relevance and reliability of accounting and financial information;
- compliance with laws, regulations and internal policies.

Its implementation requires, in particular, that a high-level culture of risk and ethics be promoted to all employees and in BNP Paribas' relations with third parties, clients, intermediaries or suppliers as well its shareholders.

The charter then sets out the rules governing the organisation, responsibility and scope of operations of the various internal control entities and establishes the principle according to which the control functions (Compliance, LEGAL, RISK and General Inspection in particular) execute these controls independently.

### SCOPE OF INTERNAL CONTROL

The BNP Paribas Group's internal control is overarching:

- it covers all types of risks to which the Group may be exposed (credit and counterparty risk, market risk, liquidity risk, interest rate risk in the banking book, underwriting risk with respect to insurance, operational risk, risk of non-compliance, equity risk, etc.);
- it is applied at the Group level and at the level of directly or indirectly controlled entities, irrespective of their line of business and irrespective of whether they are consolidated entities or otherwise. For other entities (in particular, legal entities subject to significant influence), the Group's representatives on the corporate bodies of these entities are strongly encouraged to promote the same standards of internal control;
- it also covers the use of outsourced services, in accordance with principles defined by regulation.

### FUNDAMENTAL PRINCIPLES OF INTERNAL CONTROL

BNP Paribas' internal control system is based on its values and the Code of conduct as well as the following additional principles of action:

- clearly identified responsibilities: internal control is the responsibility of every employee, irrespective of their seniority or responsibilities. The exercise of a managerial function carries the additional responsibility of ensuring the proper implementation of the internal control system within the scope subject to regulation. As such, the necessary responsibilities and delegations must be clearly identified and communicated to all stakeholders;
- a structured risk identification, assessment and management system (involving, among others, a decision-making system, delegation, organisational principles, controls, reporting and alert mechanism, etc.);

- independent control and oversight of risks: the Heads of the operational activities have the ultimate responsibility for those risks created by their activities and as such, the foremost responsibility of implementing and operating a system that identifies, assesses and manages risk. The internal control system provides for mandatory intervention, and as early as possible, of functions exercising independent control under a second level of control. This intervention takes the following forms:
  - defining the overall normative framework for risk identification, assessment and management,
  - defining cases where a prior second review by a function exercising a second-level control shared with the operational entity is necessary for decision-making
  - independent controls, called second-level controls, carried out by said function on the system implemented by the Heads of the operational activities and on their operations (result of the risk identification and assessment process, relevance and compliance of the risk control systems and in particular, compliance with the limits set);
- separation of duties: this is a key element of the risk control system. It consists of assigning certain operational tasks that contribute to the performance of a single process to stakeholders at various hierarchical levels or to separate these tasks by other means, in particular by electronic means. Thus, for example, tasks related to transaction initiation, confirmation, accounting, settlement and accounts reconciliation must be performed by different parties;
- proportionality of risks: the internal control system must be implemented under an approach and with an intensity that is proportionate to the risks involved. This proportionality is determined based on one or more criteria:
  - risk intensity as identified in the context of assessment programmes ("Risk ID", RCSA, etc.),
  - amount of allocated capital and/or ratios in terms of solvency and liquidity,
  - criticality of activities with regard to systemic issues,
  - regulatory conditions governing the exercise of business activities, size of business activities carried out,
  - customer type and distribution channels,
  - complexity of the products designed or marketed and/or services provided,
  - complexity of the processes carried out and/or the level of use of outsourcing with internal/external entities of the Group,
  - sensitivity of the environment where the activities are located,
  - legal form and/or presence of minority shareholders;
- appropriate governance: the internal control system is subject to governance involving the different stakeholders and covering the various aspects of internal control, both organisational and monitoring and oversight; the Internal Control Committees are a key instrument in this system; the framework is part of the decision-making processes managed through a system of delegations in the management reporting lines. They may involve the input of a third party belonging to another reporting line, whenever the systems defined by the Operational Entities and/or the functions exercising a second-level

control so provide. The escalation process allows for disagreements between the operational entities and functions exercising second-level control, especially those related to decision-making, to be escalated to the higher hierarchical and possibly functional levels, to which the two parties report, and at the end, when these disputes cannot be resolved in this way, to arbitration conducted by the Group's Executive Officers. This process is implemented in accordance with the powers conferred to the Group Risk Officer, who may exercise his right of veto under the conditions set out in the RISK Function Charter;

- a requirement for formalisation and traceability: Internal Control relies on the instructions of the Executive Officers, written policies and procedures and audit trails. As such, the controls, their results, their implementation and the feedback from the entities to the higher levels of the Group's governance are documented and traceable;
- a duty of transparency: all Group employees, irrespective of their position, have a duty to communicate, in a transparent manner, that is, spontaneously and promptly, to a higher level within the organisation to which they belong:
  - any information required for a proper analysis of the situation of the entity in which the employee operates, and which may impact the risks or the reputation of the entity or the Group,
  - any question that the employee could not resolve independently in the exercise of his duties,
  - any anomaly of which the employee becomes aware of.

In addition, he or she has a whistleblowing right, as provided for in the Group's Code of conduct, allowing them to make a report within a framework placed under the responsibility of the Compliance Function, providing a guarantee of confidentiality and enhanced protection against the risk of retaliation;

- Human resources management taking into account internal control objectives: the internal control objectives to be considered in employee career management and remuneration (including: as part of the employee evaluation process, training, recruitment for key positions, and in determining remuneration);
- continuous adaptation of the system in response to changes: the internal control system must be actively managed by its various stakeholders. This adjustment in response to changes of any kind that the Group must face must be done according to a periodic cycle defined in advance but also continuously as soon as events so justify.

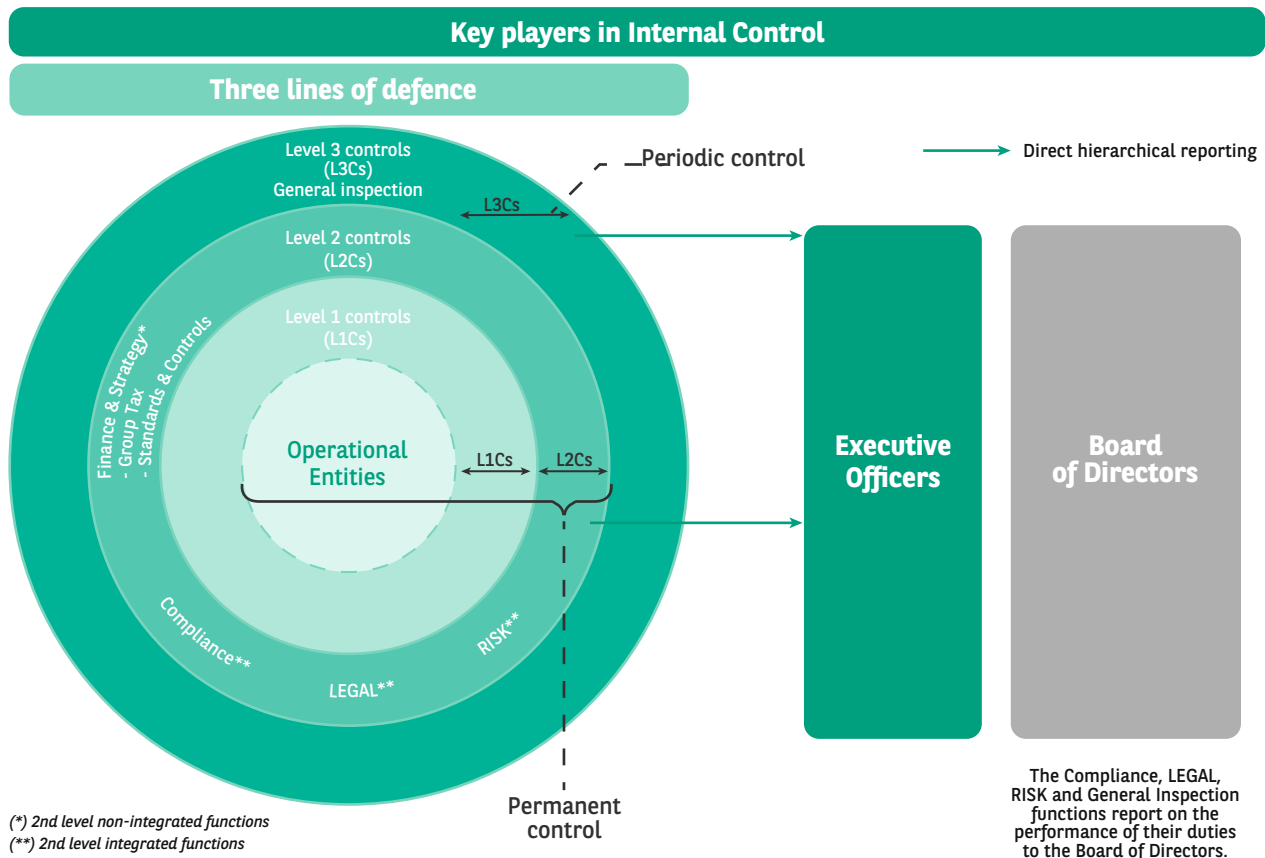
Compliance with these principles is verified on a regular basis, in particular through assignments carried out by the periodic control teams (General Inspection).

## ORGANISATION OF INTERNAL CONTROL

BNP Paribas Group's internal control system is organised around three lines of defence, under the responsibility of the Executive Officers and under the oversight of the Board of directors.

Permanent control is the ongoing implementation of the risk management system and is provided by the first two lines of defence. Periodic control, provided by the third line of defence, has an audit and assessment function that is performed according to its own audit cycle.

The functions exercising the second and the third lines of defence are so-called functions exercising independent control. They report directly to the Executive Officers and with respect to Compliance, LEGAL, RISK and General Inspection, they report on the performance of their duties to the Board of directors.



## KEY PLAYERS IN INTERNAL CONTROL

- Operational entities are the first line of defence: operational entities are primarily responsible for managing their risks and are the front-line in permanent control. They act within the framework defined by the Group's Executive Officers and reviewed by its Board of directors, transcribed in the form of policies and procedures and to the extent necessary, tailored by the corporate bodies of the Group's entities.
- The risk control system operated by the first line of defence forms what is called the first-level control system. It is implemented by employees and/or their reporting line and/or control teams that do not operate the processes under their control.

The operational entities cover:

- all operating divisions and business lines, whether these are profit centres or their support functions,
- all cross-divisional functions, including the control functions for the processes that they operate directly and not under the responsibility of the second line of defence,
- all the Territories, attached to an operating division.

- The functions exercising second-level control (second line of defence):
  - the functions exercising second-level control are responsible, under the delegation given by the Executive Officers, for the organisation and functioning of the risk control system and its compliance with laws and regulations on a range of areas (subjects and/or processes), as defined in their Responsibility Charter,
  - as such, in their field of expertise and, where appropriate, after having consulted the operational entities, they define the general normative framework in which they manage the risk for which they are responsible, the terms of their intervention (thresholds, delegations, escalation, etc.), implement this system in the relevant areas and for which they are responsible, for first-level and second-level permanent control. They challenge and provide an independent view of risk identification and assessment vis-à-vis operational entities. They also contribute to spreading a culture of risk and ethics within the Group,
  - the Heads of these functions provide the Executive Officers and Board of directors with a reasoned opinion on the level of risk control, current or potential, in particular regarding the "Risk Appetite Statement" as defined and propose any actions for improvement that they deem necessary,

- the Head of a function performing a second level control performs this mission by relying on teams that can be placed:
  - either under its direct or indirect hierarchical responsibility, where the function is then called integrated. It thus has full authority over its budget and the management of its Human Resources,
  - or under its direct or indirect functional responsibility (so-called non-integrated function) subject to joint decision-making with the reporting line manager for Human Resources and budget.

The three integrated functions exercising second-level control are:

- RISK, in charge of organising and overseeing the overall system for controlling those risks to which the BNP Paribas Group is exposed, particularly credit risk and counterparty risk, market risk, funding and liquidity risk, interest rate and exchange rate risk in the Banking book, insurance risk, operational risk, and environmental and social risks,
- Compliance, responsible for organising and overseeing the non-compliance risk control system. As such, it contributes to the permanent control of compliance with laws and regulations, professional and ethical standards and the guidelines of the Board of directors and the instructions of the Executive Management,
- LEGAL, responsible for organising and overseeing the legal risk control system, exercises its responsibility to prevent and manage legal risks through its advisory and control roles. It exercises this

control by (i) issuing legal opinions for the purpose of avoiding or mitigating the effects of a major legal risk (ii) first and second level control exerted on the legal processes and (iii) the definition of a Group-level control plan for the business lines and functions to cover certain risks that may affect the processes under their responsibility. The missions entrusted to this function are performed independently of the business activities and support functions. The function is integrated hierarchically under the sole authority of its Department head, *i.e.* "Group General Counsel", who reports to the Chief Executive Officer.

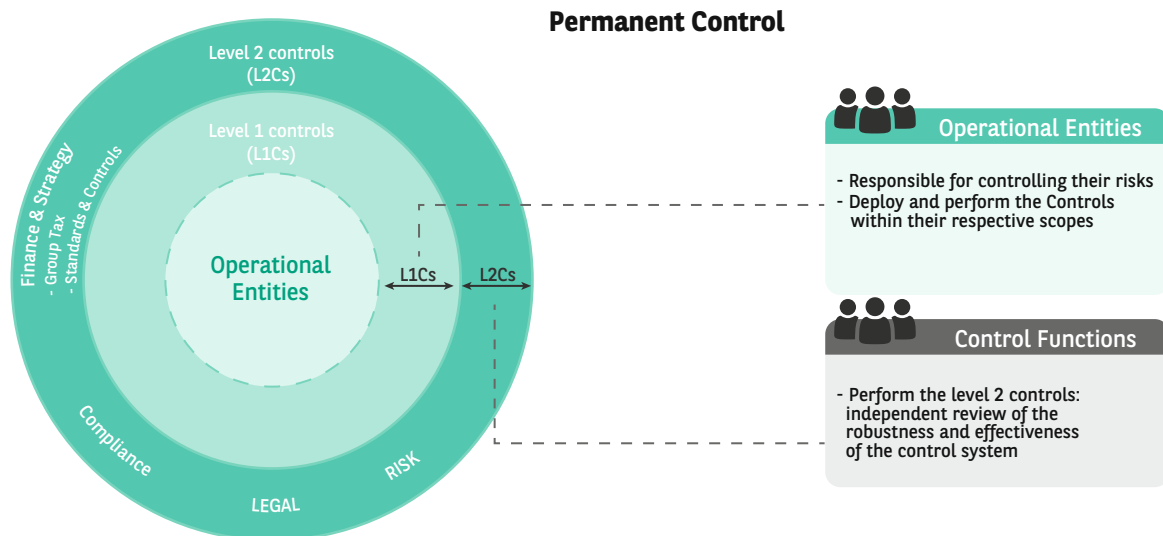
The Heads of these functions may be heard by the Board or any of its specialised committees, directly, possibly without the presence of Executive Officers, or at their request.

The non-integrated function exercising a second-level control is Finance & Strategy. Two departments carry out this activity within this function:

- Group Tax Department, as part of the organisation of the Group's tax risk control system and its contribution to its implementation;
- Standards & Controls, under its responsibility in defining and implementing the risk management system related to accounting and financial information.

The appointment of the Heads of the Compliance, Finance & Strategy and RISK Functions falls within the framework defined by the European Banking Authority.

Permanent control can be outlined as follows:



■ **General Inspection (third line of defence):** the General Inspection is responsible for periodic control, performs the Internal Audit function and contributes to the protection of the Group by independently acting as its third line of defence on all Group entities and in all areas. It includes:

- centrally based inspectors who carry out their duties throughout the Group,
- auditors distributed in the geographical or business line platforms (called "hubs").

The General Inspector, responsible for periodic controls, reports to the Chief Executive Officer.

■ **Executive Officers:** the Chief Executive Officer and the Chief Operating Officers ensure the effective management of the Company for regulatory and legal purposes. In practice, the Executive Officers make key decisions through specialised committees that allow them to rely on experts with a deep understanding of the issues to be addressed.

Executive Officers are responsible for the internal control system as a whole. As such and notwithstanding the powers of the Board of directors, the Executive Officers:

- decide on the key policies and procedures serving as the basis for this system,
  - directly oversee the functions exercising independent control and provide them with the means to allow them to fulfil their responsibilities effectively,
  - define the Group's risk-taking policies, validate the most important decisions in this area and, if necessary, make the final decisions in the context of the escalation process. This process is implemented in accordance with the powers conferred to the Group Risk Officer, who may exercise his right of veto under the conditions set out in the RISK Function charter,
  - periodically evaluate and monitor the effectiveness of the internal control policies, systems and procedures and implement the appropriate measures to remedy any deficiencies,
  - receive the main reports on internal control within the Group,
  - report to the Board of directors or its relevant committees on the operation of this system.
- Pursuant to the Decree of 3 November 2014 on the internal control of companies in the banking, payment services and investment services sector subject to the control of the ACPR, BNP Paribas must appoint an executive director responsible for overseeing the consistency and effectiveness of the BNP Paribas Group's internal control. At 31 December 2021, the Chief Executive Officer is the Executive Officer responsible for overseeing the consistency and effectiveness of BNP Paribas Group's internal control.
- **The Board of directors:** the Board of directors exercises directly or through specialised committees (Financial Statements Committee, Internal Control, Risk Management and Compliance Committee, Corporate governance, Ethics, Nominations and CSR Committee, etc.) key responsibilities in terms of internal control. Among others, the Board of directors:
- determines, on the proposal of the Executive Officers, the strategy and guidelines of the internal control activity and ensures their implementation,

- reviews the internal control activity and results at least once per year,
- regularly reviews, assesses and verifies the effectiveness of the governance system, including in particular clearly defined responsibilities, and internal control, which notably includes risk reporting procedures, and takes appropriate measures to remedy any failings uncovered,
- validates the "Risk Appetite Statement", approves and periodically reviews the strategies and policies for taking up, managing, monitoring and controlling risks and approves their overall limits.

The organisation of the Board of directors and its specialised committees is defined through its Internal Rules. The Heads of General Inspection and the integrated functions exercising second-level control have the right to be heard, possibly without the presence of Executive Officers, by the Board of directors or one of its specialised committees.

Finally, among the specialised committees, the Internal Control, Risk Management and Compliance Committee (CCIRC) is essential in the Group's internal control system. Indeed, it assumes the following responsibilities:

- analyses reports on internal control and on risk measurement and monitoring, reports on the activities of the General Inspection, and significant correspondence with the main regulators;
- examines the strategic directions of the risk policy;
- reports to the Board of directors.

## COORDINATION OF INTERNAL CONTROL

At the consolidated level, the Group Supervisory & Control Committee coordinates internal control, and is responsible, in particular, for ensuring consistency and coordination in the internal control system. Chaired by the Chief Executive Officer, it brings together the Chief Operating Officers, the Deputy Chief Operating Officers and the Heads of control functions.

In those entities and territories that are significant for the Group, their Executive Officers are responsible for arranging this coordination, generally within the framework of the Internal Control Committees.

## PROCEDURES

The procedures are one of the key elements of the permanent control system alongside the identification and assessment of risks, controls, reporting and monitoring of the control system.

Written guidelines are distributed throughout the Group and provide the organisation and procedures to be applied as well as the controls to be performed. These procedures constitute the basic framework for internal control. The RISK Function regularly monitors procedure guidelines. The Group's cross-functional procedures framework is regularly updated with contributions from all divisions and functions. Regarding the control framework, investigations into the status of the system are included in the report on permanent control.

Among the Group's cross-functional procedures, applicable in all entities, risk control is critically important in, for example:

- the procedures that govern the process for approving exceptional transactions, new products and new business activities;
- the procedure for approving credit and market transactions;
- the procedures for compliance with embargoes, anti-money laundering and the financing of terrorism and anti-corruption.

The processes from these procedural frameworks rely primarily on committees (Exceptional Transactions Committees, New Business Activities and Products Committees, Credit Committees, *etc.*) mainly covering both operational and related functions such as IT and Operations, as well as the control functions (RISK, Compliance, Finance & Strategy and LEGAL functions), which take a "second-look" on transactions. In the event of a dispute, they are submitted to a higher level of the organisation. At the highest level of the Group, there are committees (Credit, Market Risk, Risk Policy Committees, *etc.*) chaired by members of Executive Management.

## 2021 HIGHLIGHTS

Like 2020, 2021 was marked by the Covid-19 pandemic. The Group had to continue to implement its operational resilience capabilities by being able to sustainably execute part of its processes outside the Group's sites. The measures taken in 2020 concerning the first and second level control systems were reviewed and adapted where necessary to safely and properly perform customer activities at the same time as vigilance and protection systems for the employees. The Group has also set up a system for identifying and closely monitoring pandemic-related risks.

## COMPLIANCE

### Organisation and change to the function

Integrated globally, Compliance brings together all Group employees reporting to the function. Compliance is organised based on its guiding principles (independence, integration, decentralisation and subsidiarity; dialogue with the business lines; culture of excellence) through local teams (RB, IPS & CIB operating divisions) two regions (AMERICAS, APAC), areas of expertise and cross-functional departments.

All Compliance Officers in the various operating divisions, regions, business lines and territories, areas of expertise and Group functions report directly to the Compliance function.

The Compliance function has strengthened its contribution to the security of the Group's activities since its global integration in 2015. To this end, the function has launched a transformation programme to better serve the ambitions of the function, the business lines and the Group, which aims to apply the following guiding principles to all Group entities:

- enhanced subsidiarity by relying on appropriate delegations;
- increased pooling of activities for the sake of efficiency and expertise;
- the strengthening of more collaborative working practices.

The Compliance headcount reached 3,770 full-time equivalent (FTE) personnel at the end of 2021. This was down by 335 FTEs compared to the headcount at the end of 2020, which stood at 4,105, mainly due to the transfer of control teams (first line of defence) to the business lines, amounting to 294 FTEs, as part of the Group project to review the first-level control system. At constant scope, the decrease is therefore limited to 1%.

### Compliance activity in 2021

Compliance continued to oversee the implementation of the Group's remediation plan initiated as part of its agreements with the authorities in France and the United States regarding international financial sanctions. This plan has been largely implemented:

- on 11 January 2021, the NY DFS confirmed to BNP Paribas that its obligations under the 2013 Memorandum of Understanding and the Consent Order of 2014 had been met with full satisfaction. BNP Paribas considers that these procedures are now finished;
- the French and American Supervisors (the ACPR and the Federal Reserve Bank) submitted their report on the joint final review conducted in 2020 which aimed to assess the Group's compliance with the commitments made under the OFAC Cease & Desist Order of 2014. The independent consultants appointed by the Federal Reserve Bank and the ACPR conducted their annual review in autumn 2021 and their report should be sent to the Supervisors at the end of January 2022.

The Group, in terms of Anti-Money Laundering/Combating the Financing of Terrorism (AML/CFT) and asset freezing, continued to develop its system by updating several key elements of its regulatory framework in order to incorporate regulatory changes and prevent the emergence of new risks. These changes were supported by increased awareness and accountability of operational staff and IT developments aimed at improving transaction monitoring capabilities.

Throughout the year, significant IT developments were made to the management of lists and central tools for screening customers' names. The Group's list management was fully automated in June 2021. The deployment of the centralised screening tool was carried out in accordance with the objectives and is almost complete. Targeted training and awareness-raising actions were carried out for employees in charge of the subject.

The central payment screening tool confirmed its ability to absorb increasing volumes while maintaining adequate performance in terms of process efficiency and effectiveness.

In the area of Know Your Client (KYC), the objectives of reviewing client files were generally met. The business lines are continuing their programmes to improve their information systems in order to improve their operational efficiency and the customer experience. These initiatives are closely monitored by Executive Management.

BNP Paribas' system for the prevention and management of acts of corruption continued to be strengthened by the update in February 2021 of the Group's Global Anti-Corruption Policy and the increased formalisation of standards and controls relating to the Representation of Interests, in accordance with the Sapin II law and the recommendations



of the French Anti-Corruption Agency (AFA). A new governance structure has been put in place to speed up the deployment of standards and controls relating to corruption risks. Lastly, several educational sessions were organised in 2021 as an extension of the Group's mandatory training on the subject.

At the same time, improvements to the professional ethics system continued via the updating of the principles governing the procedure relating to employees' private mandates and external activities and that relating to gifts and invitations. In addition, significant IT developments on professional ethics have made it possible to achieve the objectives set.

Awareness-raising among all employees on the whistleblowing system, that has been extensively reviewed and strengthened since 2018, was renewed thanks to the new mandatory training on the Group's Code of conduct ("Conduct journey"); the coordination of the contacts responsible for receiving and processing alerts has been supported by the organisation of *ad hoc* workshops, and a full report is now presented each year to Executive Management and the Board of directors.

Compliance, in addition to its role as the second line of defence in terms of risks relating to the rules of conduct, is in charge – together with RISK and LEGAL – for coordinating, steering and management reporting of cross-functional initiatives aiming to strengthen the Group's Conduct system. In 2021, efforts focused on formalising the minimum standard expected of the various Group entities in terms of the "Conduct" system, as well as on the assessment by these same entities of their conduct risks. This was achieved through strengthened governance and regular coordination by dedicated contacts in this area, appointed in the Group's various entities and regions.

The Market Integrity area continued to adapt and strengthen its permanent control system, in accordance with regulatory changes (MAD MAR II, MIFID II, BMR and FX code). The system for managing information barriers and inside information has been strengthened by updating the procedures and modernising the control room tools. The business lines concerned continued to improve their market abuse monitoring tool.

The implementation systems relating to extra-territorial tax regulations for customers (*Foreign Account Tax Compliance Act (FATCA)*, Automatic exchange of information for tax purposes (AEOI), Qualified Intermediary scheme concerning withholding tax on US securities) was strengthened by a set of appropriate procedures and processes, the training of employees on these regulations, and the deployment of adequate first and second level controls, as confirmed for example by the external FATCA/QI certification.

Within the Group, changes in systems relating to extra-territorial banking laws continued. The organisation of the Volcker 2.0 regulation, which includes an annual internal certification, is now in place. In addition, BNP Paribas SA registered as a Security Based Swap Dealer with the Securities and Exchange Commission in November 2021. It can thus continue to develop its "Security Based Swap" activities (over-the-counter equity derivatives and equity credit derivatives) with American counterparties or those established in the United States.

## Controls

Compliance continued to update its permanent control system to make the first line of defence (business lines and functions) more accountable, by updating the first-level permanent control plans for the areas of expertise ("Generic Control Library") and by strengthening the second-level control processes ("Independent Testing" and "Check & Challenge"). This transformation work led to a change to the collection of qualitative indicators and the analysis of risk signals, thus improving the consolidated presentation to Executive Management.

## Training

In 2021, the mandatory Compliance training courses were continued, with completion rates exceeding 95%.

Mandatory training on compliance topics is structured as follows:

- all Group employees are assigned a mandatory path. In 2021, 98% of employees took part in training on international sanctions and embargoes, and 96.6% in the anti-money laundering and the financing of terrorism training. As training on the Code of conduct has been revised, the first component was assigned to all employees with a completion rate of 96.5%; the second part of this training will be launched in 2022;
- specifically exposed populations follow an additional training course including the fight against corruption (advanced course), banking laws (Volcker rule and French banking law, US CFTC Swap dealer and new SEC Swap Dealer training) and data protection. New training sessions on the AEOI and FACTA tax laws are scheduled for early 2022;
- all new employees upon joining the Group must follow training on the Code of conduct, anti-money laundering and the financing of terrorism, and training on international sanctions and embargoes.

## Industrialisation of Compliance

The OPTI Industrialisation Department (Operations, Processes, Technology and Innovation) conducted a review of its governance bodies to make them more effective and more focused on the operational needs of the business lines. Thus, the establishment of expertise channels for the handling of alerts and operations will make these processes more homogeneous and efficient.

Established in 2020, the Compliance Information Systems Strategic Committee approved the IT architecture intended to support the implementation of the functional master plan. The priorities are structured around various projects: structural changes to the central filtering and screening tools, the construction of a Compliance data concentrator and the installation of a central cross-functional monitoring tool for compliance processes.

## LEGAL

### Organisation and change to the function

LEGAL is an independent and integrated function comprising all the Group's legal teams. All LEGAL employees report directly or indirectly to the Group General Counsel, in order to enable the legal experts to carry out their duties under conditions that guarantee their freedom of judgement and action.

At all levels of the Group, there is a LEGAL organisation enabling adequate coverage of legal risks. Thus, based on the Group's organisation, dedicated legal teams cover the business lines, regions and territories. In addition, the platforms, created in 2020 and numbering six at the end of 2021, are dedicated internal legal teams whose aim is to structure and organise the provision of legal services in all business sectors, entities and geographies concerned, within the framework of their exclusive area of expertise. The LEGAL practices, which numbered four at the end of 2021, are teams specialised by area of legal expertise responsible for cross-functional coordination within LEGAL in the business lines, regions and platforms, as well as reporting of major legal risks within their scope. In addition, Group Dispute Resolution (GDR) is a global and hierarchically integrated team to ensure appropriate management of the Group's major litigation and investigations as well as legal issues related to financial security (such as embargoes and anti-money laundering). Finally, two central departments provide support services to the organisation of LEGAL.

### Main achievements in 2021 concerning the legal risk management system

Throughout the year, LEGAL continued to strengthen the legal risk management system with the exercise of RCSA (Risk and Control Self-Assessment) carried out by all legal teams locally and centrally. In addition, the second-level controls on the legal processes (independent testing and check & challenge) were significantly strengthened with the completion of around ten missions during the year, ranging from the verification of first-level controls to more thematic or cross-functional missions.

At the same time, LEGAL was heavily solicited during the ECB's inspection mission on the Group's permanent control system for reviewing the report, findings and recommendations.

The procedure defining the legal and regulatory monitoring system for the entire Group has been updated, notably with the definition of certain best practices and the clarification of points relating to the sharing of responsibilities and the performance of controls.

The team responsible for anticipating legal risk continued its industrialisation with the definition and implementation of dashboards of major legal risks based on the internal inventory tool.

LEGAL also continued its educational support for the first lines of defence of the Group's business lines and functions, in close collaboration with the various RISK ORM teams at the level of the operating divisions and the business lines.

Lastly, LEGAL continues to "check & challenge" the Group's operational risk incidents identified as giving rise to a legal risk. The role of the second line of defence of LEGAL in the "check and challenge" of the RCSA of the business lines and functions represents an increasing part of its activity.

### Main projects for 2022

Next year will be dedicated mainly to the continued implementation of the recommendations issued following the ECB mission.

In addition, capitalising on the results of the RCSAs and the existence of these platforms and practices, LEGAL will strengthen the work aimed at assessing certain legal risks in a cross-functional manner.

Finally, the industrialisation of certain second-level controls as well as greater involvement of LEGAL to challenge the first lines of defence (check & challenge) will be made possible with the implementation of the new modules provided for in the tools made available by RISK ORM.

## RISK AND PERMANENT CONTROL

### Operational risk management

The operational risk management model from the point of view of the second-line RISK team is based on both decentralised teams within the Businesses, under the responsibility of the Risk managers of these Businesses, close to the processes, operational staff and systems, and on a central structure (RISK ORM) with a steering and coordination role providing local teams on subjects requiring specific expertise (for example: cyber security, anti-fraud or managing risks related to products and services supplied by third parties).

All of the components of the procedural system for operational risk have been significantly overhauled since 2018:

- Risk and Control Self-Assessment (RCSA);
- Controls;
- Collection of Historical Incidents;
- Analysis and quantification of operational risk scenarios ("Potential Incidents");
- Action plans;
- Outsourcing risk management.

Work on the taxonomy of risks as well as the mapping of processes and organisational structures has also been completed to further standardise guidelines supporting the assessment and management of operational risk.

In addition to these methodological changes, a new integrated operational risk management tool ("360 Risk Op"), composed of various interconnected modules, was rolled out in the fourth quarter of 2019. After the launch of the module dedicated to the collection of Historical Incidents in 2019, those relating to RCSAs, Potential Incidents and the collection of outsourcing arrangements in 2020, the one dedicated to Action Plans has been available since April 2021. The last remaining modules cover the subject of controls and have been gradually developed and deployed since the summer of 2021.

The review of first-level controls by Group entities, launched in 2019, with the contribution of the control functions, was finalised in 2021. The ongoing deployment of tools relating to controls will be able to capitalise on the contributions of this work.

## Management of risks related to Information and Communication Technologies

The ongoing implementation of the Bank's digitisation initiatives aimed at creating streamlined channels for its customers and partners as well as new ways of collaboration for its staff, introduces new technologies and risks, and reinforces the need to continue to monitor the Bank's technological risk profile and ensure the effectiveness of controls.

In 2021, the RISK teams continued to improve the risk management framework related to Information and Communication Technologies (ICT) through the following actions:

- the monitoring of operational resilience in the context of the prolonged Covid-19 crisis. In particular, a review of temporary exceptions (waivers) granted in 2020 was carried out to stabilise operational processes;
- the performance of penetration tests (Red Team) on several entities in order to assess their capabilities of detecting cybersecurity incidents, and reinforcing protection measures where necessary;
- better integration of ICT risk elements into the entire reference framework;
- participation in major Group programmes in order to provide an independent analysis of the risks and action plans identified on topics such as fraud, cyber risk management or the deployment of the cloud.

## Management of risks related to personal data protection

In 2021, BNP Paribas continued to further integrate and incorporate personal data protection into the existing management and governance practices of the RISK function. The Group's control system has been extended to address the concerns of data protection authorities, prioritise actions to manage vulnerabilities and demonstrate the Group's responsibility in this area.

Major achievements include:

- the automation of consent management and tracking technologies to support the business, improve the focus and deployment of the data protection impact assessment (Data Protection Impact Assessment or DPIA);
- the revision of the Group RISK taxonomy, incorporating personal data protection;
- increased adoption of data protection automation tools, including standardisation and visibility of records of processing activities;
- improved transparency of mobile applications through the implementation of privacy labels.

All of these elements bring consistency within the Group and improve the visibility and control of key data protection practices.

## Regulatory changes

In terms of regulations, 2021 was marked by:

- the publication, on 31 March 2021, of the European Parliament's Regulation No. 2051/558/EU amending Regulation No. 575/2013/EU adjusting the securitisation system to support the economic recovery in response to the Covid crisis;
- the publication, on 17 October 2021, of the European Commission's proposal to amend Regulation No. 575/2013/EU and Directive 2013/36/EU to transpose the Basel III international finalisation agreement;
- the revision of the order of 3 November 2014 on internal control which aims to clarify and align the French framework with certain European and international provisions, in particular the guidelines of the European Banking Authority (EBA) on outsourcing and internal governance.

The work related to these changes involved the RISK teams as well as other Group teams (Finance & Strategy, ALMT, business lines, etc.).

## Changes to the RISK function

The RISK function continued its industrialisation, notably *via* the reinforcement of its shared operational platforms in Lisbon and Mumbai and the roll-out of new platforms in Madrid and Montreal. A number of initiatives have also continued and new ones have been launched to simplify, automate and pool certain internal processes and contribute to the end-to-end review of customer processes, whilst ensuring that the control system is at the highest level. The RISK function notably continued to introduce new technologies into the key risk management processes in terms of granting and monitoring loans, in particular around alerting and the identification of weak signals. This introduction was carried out with the support of a dedicated artificial intelligence team and in close collaboration with various Group's business lines.

In 2021, RISK also set up an organisation that unites the teams responsible for defining and supervising the operational risk management system (RISK Operational Risk & Controls) and those specifically in charge of the second line of defence in terms of technological risks and information protection (RISK ORC Information and Communication Technology). As the second line of defence in terms of operational risk, the new entity resulting from this unification, called RISK Operational Risk Management (RISK ORM), carries out a risk assessment and control action in order to formulate an independent opinion which, coupled with that of the first line of defence, should enable the decision-maker to make an informed decision. This organisational change will enable RISK to contribute even more effectively to the continuous improvement of the Group's operational performance and resilience.

## Environmental, social and governance risk management

As shown by its commitments, the BNP Paribas Group pays particular attention to environmental, social and governance ("ESG") issues and their growing role in the conduct of business and related risk management.

In 2021, the Group's Action Plan to strengthen the Bank's ESG system led to significant progress with the delivery of a first version of the internal ESG data platform and the launch of the deployment of the common assessment approach of the ESG profile of the Group's large corporate clients. The latter aims in particular to identify companies whose ESG weakness could translate into credit, investment, reputational risks, and negative environmental and social impacts. It also supports dialogue with companies and supports the transition of those wishing to shift towards a more sustainable business model.

As a second line of defence for environmental risks, the RISK function continued work on the operational integration of this analysis approach.

At the end of 2021, the Group adopted a new governance structure, "Sustainable Finance", incorporating all the work of the ESG Action Plan.

Additional information on climate change risk management can be found in Commitment 3 described in chapter 7 of the Universal registration document.

## 2022 Projects

In 2022, the RISK function's main projects will be:

- the delivery and deployment within the Group of the remaining modules of the new permanent control information system and the corresponding support for operational entities;
- continued work on finalising the implementation of the "Third Party Risk Management" system;
- continued strengthening of the system around business continuity and crisis management, especially for aspects relating to technological risks;
- continuous improvement of the Group's data protection system;
- continued incorporation of ESG risks into the Group's overall risk management system;
- supporting the transformation of the Group's business through its own industrialisation and improving its integration into the business lines' processes, as well as integrating new technologies to further advance and improve the efficiency of the Group's risk management system;
- the implementation of new sites and/or projects enabling the Group to fully meet the expectations of its regulators and supervisory authorities.

## PERIODIC CONTROL

While 2021 was once again marked by the Coronavirus pandemic, the General Inspection was able to adapt its system to achieve its objectives. New methods of collaboration – between the central General Inspection teams and those of the audit hubs in the countries, and also between auditors and audited entities – are deployed everywhere, allowing work in remote mode. However, audit assignments with a physical presence on site are preferred whenever possible. The audit plan was largely met. A total of 898 missions have been completed in 2021, *i.e.* 96% of the target for the year, including 91% as provided for in the original plan.

In 2021, the General Inspection repeated its annual Risk Assessment exercise. All of the nearly 3,000 Audit Units (AUs) were reviewed and a two-page documentation describing the broad outline of the AU and detailing the assessment of its inherent risk and the quality of the controls carried out therein was produced for each. The resulting Residual Risk profile appears to be improving in 2021 compared to 2020, returning to a level comparable to 2019. 2020 saw increased intrinsic risks related to certain effects of the pandemic. 2021 shows a return to normal. The control system in general showed good resistance in 2020, then an improvement in 2021 in several areas of activity, particularly in Financial Security.

After a turbulent year in 2020 in terms of its audit plan, the General Inspection reassessed and repositioned its multi-year audit plan in 2021. The purpose of this plan is to make sure the entire auditable scope is covered at the right frequency. The audit frequency for each AU is based on the residual risk score. The frequency is shorter when the residual risk measured is high. If the AU has a specific regulatory audit cycle, the applicable cycle is the shorter of the regulatory cycle and that resulting from the Risk Assessment. All the AUs were placed in order of priority by combining these different elements. The duration of the audit cycle cannot exceed five years in any case. By convention, the year 2018 was considered as the first year of a five-year cycle currently in progress, which means that the end of 2022 is a deadline to cover the entire auditable scope at least once during the period. The 2020 crisis made it difficult to achieve this goal, but with a good level of achievement in 2021, it is still close to being achieved. This objective of covering the auditable scope without suffering a significant delay is therefore still relevant.

In 2021, General Inspection continued its efforts to develop the use of data in its missions. Instigated by the central team, the hubs have put in place a governance adapted to their environment based on the diversity of the business lines audited and the number of locations. A new IT infrastructure is now available to process files that exceed the capacity of a workstation. A progressive programme with five levels of training has been introduced and offered for the first two levels to a large number of inspectors and auditors. These training initiatives, enhancing the use cases library and the growing contribution of Data Analysts in the missions have greatly contributed to the change in audit techniques and the completion of missions remotely.

The policy of very high investment in training in other areas was also continued to enable new employees to acquire the required skills base. All employees of the function receive regulatory training with a high level of expertise or technical training related to their profiles and specialisations. In the same vein, a tool to check knowledge of methodological principles has been deployed for all inspectors and auditors. Due to the circumstances, the training system was completely reorganised between face-to-face, distance learning and e-learning, to provide for digital and classroom-based at the same time.

The long-term in-depth audit guide project continued in all areas and sectors. The library of methodologies is equipped with new topics to cover a greater number of types of missions, along with updates to better

support regulatory changes and the Bank's procedural framework. This project allows for greater consistency in the audit points carried out in the various hubs around the world.

At the end of 2021, the General Inspection laid the foundations for a vast transformation plan, in line with the RedesiGn plan of 2016/2018. This plan will be supported by the Transformation & Digital Intelligence team, created in September. It aims to further improve the digital mastery of the function and to further increase its industrialisation.

The ability of the General Inspection to fulfil all of its missions was based on a headcount that will ultimately be down slightly at the end of the year compared to the recent past (given that the figure for 2019 was a temporary peak). The outlook for 2022 will reverse this trend of 2021.

## INTERNAL CONTROL EMPLOYEES

The various internal control functions are based on the following headcount (in FTE = Full-Time Equivalents, calculated at the end of the period):

	2016	2017	2018	2019	2020	2021 <sup>(1)</sup>	Change (2021/2020)
Compliance	3,387	3,759	4,183	4,219	4,105	3,770	- 8%
LEGAL	1,814	1,807	1,846	1,810	1,779	1,736	-2%
RISK	5,221	5,367	5,520	5,462	5,191	5,029	- 3%
Periodic control	1,238	1,296	1,394	1,446	1,381	1,355	-2%
<b>TOTAL</b>	<b>11,660</b>	<b>12,229</b>	<b>12,943</b>	<b>12,937</b>	<b>12,456</b>	<b>11,890</b>	<b>- 4%</b>

(1) The decrease in the Compliance headcount in 2021 is mainly due to the transfer of control teams (first line of defence) to the business lines. At constant method scope, the decrease is only 1%, equivalent to that of other internal control functions.

## INTERNAL CONTROL PROCEDURES RELATING TO PREPARING AND PROCESSING ACCOUNTING AND FINANCIAL INFORMATION

### ROLES AND RESPONSIBILITIES FOR PREPARING AND PROCESSING ACCOUNTING AND FINANCIAL INFORMATION

Under the authority of the Chief Executive Officer, the Finance & Strategy Function is notably responsible for preparing and processing financial information. It also performs an independent control mission which aims to ensure control of the risk related to accounting and financial information. The specific missions assigned by the Group to the Finance & Strategy Function are defined by a charter. These consist of:

- preparing the financial information and guaranteeing the consistency and fairness of the financial and prudential information published, in compliance with the regulatory framework and standards;
- providing Executive Management with support for the Group's economic management at each level of its organisation;
- managing the Group's tax risk, representing the Group in tax matters and helping to preserve its reputation;
- defining accounting policies, management standards and prudential standards for the Group and overseeing their operational implementation;
- defining, deploying and supervising the permanent control system concerning financial information for the entire Group;
- assisting Executive Management in defining the Group's strategy, ensuring the benchmarking of the Group's performance and initiating and examining mergers and acquisitions ("M&A");
- managing the Group's equity and conducting the analysis and financial structuring of the Group's external and internal acquisition, partnership and disposal projects;
- ensuring the Group's financial communication and monitoring of the BNP Paribas share price, shareholders and market reactions;
- managing relations with market authorities and investors and organising Annual General Meetings;
- anticipating regulatory and prudential changes, and developing and communicating the Group's positions on these issues;
- coordinating the Group's banking supervision, in particular the relationship with the ECB;
- meeting the economic research needs of all of the Group's customers, business lines and functions;
- defining and managing the organisation of the Finance & Strategy Function and monitoring its resources and costs;
- managing the implementation of the target operational system, contributing to the definition of the functional architecture and the design of the Finance systems and deploying them.

All these missions require those involved to be fully competent in their particular areas, to understand and check the information they produce and to comply with the required standards and time limits. Particular attention is paid to compliance, quality and integrity of the information used and data protection. All those involved in the function have a duty to alert Executive Management. The missions of the function are carried out

in conjunction with the RISK and ALM Treasury Functions for regulatory requirements, with the Project Management team for Finance & Strategy and RISK, housed within Group IT, with regard to user processes and the changes to the information system. In practice, the responsibility of the Finance & Strategy Function is carried out as follows:

- the financial data produced is the responsibility of the Finance Department of each entity, whether produced at its own level or by shared regional platforms; when they contribute to the Group's consolidated results, they are sent to the divisions/business lines for approval;
- the production of forecast financial data is carried out by the divisions/business lines, ensuring their consistency with the actual data produced by the entities or regional platforms;
- centrally, the Finance & Strategy Function prepares the reporting instructions distributed to all divisions/business lines and consolidated entities in order to ensure that the data is homogeneous and complies with the Group's rules. It gathers all the accounting and management information produced by the entities and approved by the divisions/business lines and assembles and consolidates these data for use by Executive Management or for communication to third parties.

### PRODUCTION OF ACCOUNTING AND FINANCIAL DATA

#### Accounting policies and rules

The local financial statements for each entity are prepared following the accounting standards prevailing in the country where the entity carries on business, while the Group consolidated financial statements are prepared under IFRS (International Financial Reporting Standards) as adopted by the European Union.

Within Finance & Strategy (Group), the "Standards & Controls – Group Financial Policies" (GFP) department defines the IFRS-based accounting principles to be applied to the Group as a whole. It monitors changes to IFRS and French standards and interprets them as necessary by issuing new principles. A manual of the Group's IFRS accounting principles is available for the divisions/business lines and entities on the internal network communication tools ("intranet") of BNP Paribas. It is regularly updated to reflect regulatory changes. At the request of GFP or those responsible for reporting, certain interpretations and major elements of doctrine are submitted to a specialised committee ("Accounting Policy Committee") for approval or arbitration. This committee reviews and approves the changes to be made to the accounting principles manual.

In addition, the "Group Financial Policies" department responds to requests for specific accounting studies made by the divisions/business lines or entities as part of the preparation of the financial statements and during the approval process for new products or new activities.

Finally, this department is also responsible for maintaining the management standards manual, incorporating the needs identified by the performance management teams. These principles and standards can also be accessed using internal network tools (intranet).

The solvency framework is the joint responsibility of the RISK and Finance & Strategy Functions. The Finance & Strategy Function is notably responsible for the normative elements relating to the prudential scope, regulatory capital, and the calculation of leverage and GSIB ratios. The other aspects relating to risk measurement are the responsibility of the Risk Function. A joint "Solvency Policies Committee", co-chaired by the two functions, performs the same role as the "Accounting Policy Committee" in terms of prudential standards.

The regulatory liquidity framework is the responsibility of ALM Treasury (with the contribution of the Finance & Strategy and Risk Functions).

### Data processing system

The data processing system is organised around two channels, the first structured according to entities, and the second according to businesses:

- "Measure, Control and Explain (MCE)" is the Finance channel dedicated to the preparation of financial data. Organised around shared and multi-business regional platforms, it combines expertise and industrialisation for all financial reporting flows (financial statements, regulatory, management, solvency, liquidity, taxes), at Group or local level;
- "Monitor and Foster Performance (MFP)" is the Finance channel which has an analysis and advisory role in terms of strategic management of the businesses, based on the financial data provided by the MCE channel. It is also responsible for preparing forecast financial reports (estimate, budget, three-year plan, financial information in stressed scenarios) by interacting closely with the Business heads. This is why this channel is structured according to the division, Business, Function.

## PERMANENT CONTROL OF ACCOUNTING AND FINANCIAL INFORMATION

### Internal control within the Finance & Strategy Function

In order to enable it to centrally monitor risk management related to accounting and financial information, Finance & Strategy (Group) has a "Financial Control, Certification and Audit Affairs" team within the "Group Financial Controls" entity which carries out the following main missions:

- defining the Group's policy as regards the accounting internal control system. This system requires accounting entities to follow rules in organising their accounting internal control environments and to implement key controls ensuring that the information in their consolidation packages is reliable. The Group has issued internal accounting control guidelines for use by the consolidated entities and a standard accounting control plan listing the major mandatory controls aimed at covering the accounting risk;
- ensuring that the internal control environment for accounting and financial information functions properly within the Group, in particular *via* the procedure for internal certification of accounts described below; reporting quarterly to Executive Management and the Board of directors' Financial Statements Committee on the quality of the Group's financial statements;

- together with the Risk Function, overseeing the proper functioning of the system for collecting and processing consolidated credit risk reporting, including by means of a specific certification and quality indicator system;
- ensuring the proper functioning of the data collection and processing system for the preparation of liquidity reports, in particular by means of a specific certification system and quality indicators;
- ensuring the implementation by the entities of the Statutory Auditors' recommendations, the recommendations of the General Inspection relating to the Finance process and the ECB's recommendations allocated to Finance & Strategy with the support of the divisions/business lines. This monitoring is facilitated by use of a dedicated tool that enables each entity to monitor the recommendations made to it and to regularly report on the progress made on the various action plans. Centralised monitoring of these recommendations enables Group Finance to identify improvements to the accounting internal control system made within the consolidated entities, identify any cross-functional problems and, if necessary, revise the Group-level procedures and instructions.

These missions are relayed within the Finance Departments of the divisions/business lines by central, independent control teams who carry out close supervision of the entities and develop, if necessary, accounting control procedures adapted to the specificities of their scope, in line with Group-level procedures.

Lastly, within the entities/businesses' Finance Departments, the Group's accounting internal control principles have led to dedicated and independent second-level accounting control teams or representatives, depending on the size of the entities, being set up. As such, the Group's established approach, in which the reporting production tasks are consolidated on regional platforms (improving the harmonisation of the first-line reporting and control processes and increasing their efficiency for the scope of the entities concerned), also ensures that the second-level accounting control teams are the appropriate size and have the necessary expertise. The main missions of these local teams are as follows:

- implementing second-level accounting controls on all entities falling within their scope and covering in particular the controls carried out by the entities' Finance Functions (including the first-level controls carried out on the processes operated by the Back Offices). These procedures are based, in particular, on standardised accounting control plans and accounting control tools that allow control responsibilities to be allocated to the various contributors to flows. Several control tools support first- and second-line defence controls, for example, identifying, for each account, the department responsible for its justification and control, and reconciling the balances recorded in the accounting system with the balances appearing in the Operations systems of each activity and identifying, justifying and monitoring the clearance of outstanding items in the flow accounts;
- implementing control and coordinating (directly when this task is not performed by first-line controls) the "elementary certification" process (described below) requiring an entity's different departments to report to the Finance & Strategy Function on the controls that they have carried out;

- ensuring that the accounting internal control system enables the entity's Finance Department to have sufficient oversight of the process of preparation of account summaries, and in particular over all the elements necessary for the Group's certification process (described below). To assist in achieving this objective, the tasks involved in accounts closure are formally defined. The use of tools to map the processes and associated risks and to document the checks as well as the coordination with other control channels contributes to improving the quality.

## Internal Certification Process

### At Group level

Finance & Strategy (Group) uses FACT (Finance Accounting Control Tool) for the internal certification of the quarterly data produced by each entity for the consolidation package and for the consolidation process for which the "Financial & Regulatory Reporting" Department within Finance & Strategy (Group) is responsible.

The Chief Financial Officer of each entity concerned certifies to Finance & Strategy (Group) that:

- the transmitted data have been prepared in accordance with the Group's norms and standards;
- the accounting internal control system guarantees its quality and reliability.

The main certificate completed by fully consolidated entities reproduces the results of all of the major controls defined in the Group's accounting control plan, and leads to the determination of a rating for each entity. Entities consolidated by the equity method complete an appropriate certificate. Finally, non-consolidated entities are certified annually through a simplified procedure.

This internal certification process forms part of the Group's monitoring system for internal control and enables the Finance & Strategy (Group) Function, which has the overall responsibility for the preparation and quality of the Group's consolidated financial statements, to be informed of any problems in the financial statements and to monitor the entities' implementation of appropriate corrective measures. A report on this process is presented to Executive Management and to the Financial Statements Committee of the Board of directors at the close of the Group's quarterly consolidated accounts.

This certification system is also in place, in conjunction with the Risk Function, for the information included regulatory reporting on credit risk and the capital adequacy ratio. Those contributing to the reports attest that they have complied with the standards and procedures and that the data used is of appropriate quality. They further describe the results of the controls carried out at the various stages of producing the reports.

On the same principles, a certification system is in place for the reporting of liquidity-related data. The various contributors report on the compliance of the data transmitted with the standards, and the results of key controls performed to ensure the quality of reporting.

### At entity level

In order to ensure the oversight of all the process of preparation of accounting information at the level of each entity's Finance Department, the permanent control procedures of Finance & Strategy (Group),

developed by Group Financial Controls require the implementation of first-level procedures relating to accounting data or controls when the process of preparing the accounting information is operated or controlled in a decentralised way. In this context, an "elementary certification" (or "sub-certification") procedure can be deployed.

This is a process by which the providers of the information used to prepare accounting and financial data (e.g. Middle Office, Back Office, Human Resources, Risk, Suppliers' Accounts, etc.) formally certify that the fundamental controls intended to ensure the reliability of the accounting and financial data under their responsibility function properly. The elementary certificates are sent to the local Finance Department first-levels of control, which analyses them in combination with the accounting controls that it exercises directly, prepares a summary report intended to be used to prepare the main certificate, and liaises with the various players in order to monitor points requiring attention.

The FACT application also makes it possible to automate this sub-certification process by providing entities with a dedicated environment in which they can directly manage the processes set up at their level.

## Valuation control of financial instruments measured at fair value

### Assets and derivatives measured at fair value through profit or loss in the trading portfolio

The trading portfolio mainly focuses on the market activities of Global Markets and a few other, less significant scopes. Finance & Strategy (Group) has defined a specific system for the main scope. This is based on the principle that Finance & Strategy, responsible for the preparation and quality of the Group's accounting and management information, delegates the production and control of the market or model value of financial instruments to the various players of the chain, thus constituting a single and integrated valuation channel for financial instruments. The processes covered include in particular:

- verifying the appropriateness of the valuation system as part of the approval process for new transactions or activities;
- verifying the proper recording of transactions in the systems and ensuring it is appropriate with the valuation methodologies;
- verifying the development and approval mechanism independent of the valuation methods;
- determining the market parameters and the procedure for an independent verification of these parameters;
- determining valuation adjustments for market, liquidity and counterparty risks;
- determining and reviewing the rules for making parameters observable;
- classifying instruments within the fair value hierarchy, determining day one profit adjustments, estimating the sensitivity of level 3 valuations to valuation assumptions.

Through appropriate processes and tools, the channel's objectives are to ensure both the correctness and the reliability of the process for valuing financial instruments, and the quality and comprehensiveness of the control system. It can thus provide the appropriate data to the various decision-making bodies, data that also informs the operational processes for compiling the accounting and management results, and ensures the transparency of appendices dedicated to fair value.



Control of the valuation channel, which involves all participants, is supervised by the Finance & Strategy Function within the framework of a specific charter and a dedicated governance. This control system is based on a set of organisational principles defined in the Group's Internal Control Charter for each organisational level, *i.e.* Group, ClB and the main entities that account for market transactions.

To ensure its proper functioning, the Finance & Strategy Function relies on dedicated teams ("Standards & Controls - Valuation Risk and Governance, S&C - VRG"), which oversee the entire system. The Finance Function decides on the information that must be reported by the various players: this comprises both quantitative and qualitative data indicating trends in different businesses as well as the results and quality of upstream controls carried out.

Several committees that meet on a quarterly or monthly basis are set up to bring all of the players together to review and examine, for each process and business line, the methods used and/or the results of the controls conducted. These committees' operating methods are governed by procedures approved by the Finance & Strategy Function, ensuring that Finance & Strategy takes part in the main choices and arbitrations. Lastly, the S&C - VRG reports at each accounting quarter-end to the Product Financial Control Committee (PFC), chaired by the Group Deputy Chief Financial Officer, on its work, and informs the committee of the points of arbitration or attention concerning the effectiveness of the controls and the degree of reliability of the valuation and results determination process. This quarterly committee brings together the business lines, Finance & Strategy (Group) and the divisions concerned, ALMT and the Risk Function. Intermediary PFC committees complete this system and aim to define project priorities, monitor their implementation and thoroughly examine certain technical elements.

### Instruments measured at fair value through profit or loss or through equity outside the trading portfolio

#### **Fixed income securities, derivatives and debt measured at fair value through profit or loss or through equity**

Most of the instruments relating to this scope are covered by the system in place for the trading portfolio, thanks to an adapted extension of the governance as well as the pooling of systems, processes and valuation methodologies. The main business line concerned is ALM Treasury, which is covered by and represented on the aforementioned PFC committee.

#### **Equity securities measured at fair value through profit or loss or through equity**

Since 2020, Group Financial Policies has developed a specific valuation standard, and the valuation governance system has been standardised to ensure homogeneous coverage of this portfolio and an appropriate distribution of responsibilities and decision-making chains.

### **Other items measured at fair value**

Control systems, meeting the requirements of the Group's accounting control plan, exist at the level of the entities or at the level of the divisions/business lines to ensure the necessary level of control on loans that do not meet IFRS 9 SPPI<sup>(1)</sup> criteria.

### **Development of the system**

#### **The Finance & Strategy Function's general permanent control framework**

The permanent control system related to the risk on accounting and financial information is continuously being adapted. The procedures described above, as well as the change in the tools are part of an evolving framework that aims to guarantee an adequate level of control throughout the Group, and a better harmonisation of the control of accounting and financial information. In 2021, the Finance & Strategy Function reviewed its permanent control system and the articulation between its two lines of defence as well as with the functions exercising second line of defence missions. This framework has also introduced a strong governance of the system articulated through committees called "FORCC<sup>(2)</sup>" through which all the permanent control processes of the Finance operating business units are reviewed. The comprehensive deployment of this system will continue in 2022.

Moreover, the quality of the accounting certification process is regularly reviewed with the divisions/business lines, for instance with the preparation of quantitative indicators for some controls, targeted cross-functional reviews of a major control and *ad hoc* reviews with the divisions/business lines on specific points for improvement in various scopes. These reviews are supplemented by presentations to the various committees in the Finance & Strategy channel and training sessions. Group procedures clarifying some major controls, and detailed instructions aimed at ensuring consistent responses and adequately-documented processes are also distributed. These Group procedures and instructions are extended where necessary at divisions/business lines level to cover issues specific to them.

Similarly, the certification system of the data contributing to the calculation of the capital solvency ratio is subject to adjustment in order to take into account developments in the processes and the organisation, and to capitalise on indicators and controls in place in the various sectors in connection with the improvement programme on the reporting and the quality of the data.

In addition, for liquidity reporting, changes in processes and tools are carried out regularly in order to adapt to the new regulatory reporting demands, and specific actions are taken with the various contributors in order to enhance the quality and controls for the channel.

(1) SPPI (Solely Payment of Principal and Interest): The SPPI criterion is a criterion required in addition to the management model in order to determine the classification of financial instruments excluding trading activities on the balance sheet. It is linked to the contractual characteristics of the instruments. The tests must be carried out on all assets whose management model is "HTC" ("held to collect", collect contractual cash flows and keep the asset until maturity) or "HTCS" ("held to collect and sell", collect contractual flows and sell the asset) in order to determine the accounting category: amortised cost, fair value through equity or fair value through profit or loss.

(2) FORCC: Financial and Operational Risk Control Committee.

### Data control system

As in 2020, the Group continued to adapt its system in 2021 to continue to improve the quality and integrity of the data required to produce the reports covering the different types of risks to which BNP Paribas is exposed (risk related to the accounting and financial information, credit, market, liquidity and operational risks), and to improve the consistency of related reporting at all levels of the organisation during normal periods as well as during stress or crisis periods.

The continuous adaptation of the system is part of the regulatory framework of the principles set by the Basel Committee for the aggregation of risk data and their reporting ("Principles for effective risk data aggregation and risk reporting – Basel Committee on Banking Supervision – Standard 239") and aims to ensure the Group's compliance with these principles.

Strengthened in 2020 by the appointment of a Group Chief Data Officer (CDO) as well as a RISK/Finance & Strategy CDO in addition to the existing system of Chief Data Officers within the Businesses and functions, the major initiatives launched in 2020 were continued in 2021, in particular in the following areas:

- the adaptation of the Group's Data Management strategy, including the introduction of the Data Management by Design approach, the data compilation model (launch of the new Group Data Management tool "WeData"), monitoring and quality control (strengthening of local business line indicators and their consolidated vision, preparation of the extension of the scope of critical data for implementation from 2022), the organisation of the processes supporting these activities (inclusion of the Single Channel organisational model), the use of adapted technologies and a strengthened data culture within the Group (including the organisation of a "Data Week");
- the sustainability of Data governance, in particular with the holding of the Group Data Board (biannual), a Shared Data Council and committees to assess the quality and monitoring of remedial actions at the level of the Group, Businesses or functions and entities (Quality Assessment & Remediation Committees – QARC) generally held quarterly, and also in 2021, the updating of the Group "Roles & Responsibilities related to Data Quality, Integrity and Protection" procedure and the realisation for the second year of an internal assessment of the Group's level of compliance with BCBS 239 principles;
- emphasising the implementation of the Data strategy as part of the Group's IT strategy, notably by integrating the principles of Data Management by Design and the IT contribution to the data compilation model (including the development of dictionaries of application data as part of the new Group Data Management tool "WeData"), and with the permanent presence of the Group CIO on the Group Data Board, the assignment of data responsibilities within the Group IT Function and the participation in the main Data projects.

### PERIODIC CONTROL

General Inspection has a dedicated Finance & Strategy channel (called the "Finance Audit Line") with a team of specialist inspectors in accounting and financial auditing, thus reflecting the General Inspection's strategy of having an auditing capability in accountancy, as regards both the technical complexity of its work and its scope of coverage of accounting and financial risk.

Its action plan is based on an annual risk assessment exercise, the practical details of which have been established by General Inspection based on the risk evaluation chart defined by the Risk Function.

The core aims of the team are as follows:

- establishing a hub of accounting and financial expertise in order to reinforce the capability of General Inspection when carrying out inspections in these areas;
- disseminating internal audit best practices and standardising the quality of related audit work within the Group;
- identifying and inspecting areas of accounting and financial risk at Group level.

### RELATIONS WITH THE STATUTORY AUDITORS

Each year, as part of their statutory assignment, the Statutory Auditors issue a report in which they give their opinion concerning the consistency and fairness of the consolidated financial statements of the BNP Paribas Group as well as the annual financial statements of the Group's companies. The Statutory Auditors also carry out limited reviews on the closing of the half-yearly accounts, and specific tasks in relation to the quarterly accounts.

Thus, as part of their statutory mission:

- they examine any significant changes in accounting standards and present their opinions to the Financial Statements Committee concerning the accounting choices with a material impact;
- they present their conclusions to the Finance & Strategy Functions in the entities/business lines/divisions and at a Group level, and in particular any observations and recommendations to improve certain aspects of the internal control system that contribute to the preparation of the accounting and financial information that they reviewed during their audit.

### FINANCIAL COMMUNICATION (PRESS RELEASES, SPECIAL PRESENTATIONS, ETC.)

Financial communications for publication are written by "Investor Relations and Financial Information" Department within Finance & Strategy (Group). It is directed at retail and institutional shareholders, financial analysts and rating agencies, and presents the Group's different activities, explains its results and describes its development strategy, while maintaining the financial information homogenous with that used at an internal level.

The team, which reports to Executive Management and the Chief Financial Officer, devises the format in which financial information is published by the BNP Paribas Group. It works with the divisions and functions to prepare the presentation of financial results, strategic projects and specific topics. It distributes them to the financial community.

The Statutory Auditors are associated with the validation and review phase of communications relating to the closing of quarterly, half-yearly or annual financial statements, before their presentation to the Financial Statements Committee and to the Board of directors, who approve them.