

## Summary of Global Anti-Corruption Policy published on November 17, 2017

### BNPP ANTI-CORRUPTION POLICY

1. BNPP has adopted zero-tolerance to corruption, whatever its form and whatever the circumstances in which it may occur. The top management and the Executive Committee expressly make this commitment in the Anti-Corruption Code of Conduct<sup>1</sup>, which is notably incorporated into the rules of procedure of BNP Paribas SA (“règlement intérieur” in France).
2. The instructions set out in this Policy represent minimum requirements. Employees must report behaviour contrary to this Policy.
3. The update of the Group’s anti-corruption set-up follows the publication of the French Law of 9 December 2016 on “transparency, the fight against corruption and the modernization of the economy” (“Sapin II law”). Compared to the previous versions integrating the requirements of the Foreign Corrupt Practices Act (FCPA) and the UK Bribery Act as well as international practices (OECD, Transparency International, FATF, Wolfsberg Group), the framework since then integrates the requirements of Sapin II, and draws on the guidelines published by the Agence Française Anti-corruption.
4. The Policy applies to all Group Entities and:
  - provides a practical definition and a guide to understanding the diverse forms of corruption;
  - explains the main situations where there may be risks of internal and/or external corruption and the corresponding rules of conduct that apply;
  - sets out the principles relating to the organization of the global anti-corruption set-up, especially in terms of governance.
5. BNPP defines corruption as offering, giving, soliciting or accepting, directly or indirectly, an undue advantage (or promise of undue advantage) of whatever nature, that may affect the proper exercise of a function or the conduct required of the holder of the function concerned (in the public or private sector). Concealing an act of corruption, particularly through accounting practices, can be considered complicity. Wilful negligence enabling an act of corruption to be perpetrated or to continue can also be deemed complicity.

#### Governance

6. The Anti-Corruption Department at Group level is responsible, for the entire Group, for the global anti-corruption framework and for ensuring the consistency of its implementation. It supervises and coordinates anti-corruption measures within the Group by chairing the periodic Anti-Corruption Committees, at least 3 times a year, gathering the main contributors in the fight against corruption. It also helps to advise entities, promotes and participates in training and produces an anti-bribery and corruption annual report to the Group Management.
7. A network of Anti-corruption correspondents (ABC correspondents) across Compliance and Central Functions have been appointed to implement the framework at all levels of the

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<sup>1</sup> BNP Paribas code of conduct including its Addendum on anticorruption is publicly available at: [https://group.bnpparibas/uploads/file/codeofconduct\\_en\\_11\\_01\\_2018\\_40p.pdf](https://group.bnpparibas/uploads/file/codeofconduct_en_11_01_2018_40p.pdf)

organisation.

#### Risk Assessment

8. Every Entity (including Functions) must perform an ABC risk assessment. The ABC Central Department defines the methodology for the ABC risk assessment, which identifies and assesses on an annual basis each entity's inherent risk, control environment and determines the residual risk level.

#### Prevention and management of corruption risks

9. Topics covered in the section on prevention and management of corruption risks include :
  - gifts and invitations
  - facilitation payments, donations and contributions to political parties and charitable organisations
  - recruitment
  - other situations involving employees
  - relationships with public officials
  - due diligence with regards to partners (financial services intermediaries, other suppliers)
  - due diligence with regards to clients (identification and risks linked to a business relationship, transaction monitoring)
10. The Group uses its existing alerts processes (information to line management or whistleblowing procedure) for the escalation of cases of corruption involving employees or cases of non-compliance with this Policy or the Anti-Corruption Code of Conduct. The framework for investigation and sanctioning of employees is defined with the Risk and HR Functions.
11. Online training has been designed to raise awareness of all employees and also to target those employees most exposed to corruption risk. Staff participate also in other training (professional ethics, financial security etc.) since they complement the ABC framework.

#### Internal control framework

12. Corruption risk comprises different risks: operational, non-compliance, financial, legal and reputation. Compliance Permanent Control and Periodic Controls ensure control of the ABC framework. Permanent controls include those established at entity level (First level controls) and Compliance and Functions generic control plans (Second level controls). The Inspection Générale (Periodic Control) assess the effectiveness of the permanent control systems and may investigate attempts or suspicion of corruption. In addition, accounting controls are in place and contribute in preventing and detecting acts of internal corruption.

#### Policy previous version:

- September, 20, 2011