

INTERNAL RULES OF THE BOARD OF DIRECTORS

UPDATED BY THE BOARD OF DIRECTORS
ON OCTOBER 2, 2015



BNP PARIBAS

The bank
for a changing
world

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 articles of association of the Company and these rules.

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 (Afed)* 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 committee, Nominations committee and Remunerations committee) as well as by any ad hoc committee.

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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;
- 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 also regularly informs the Chief Executive Officer of significant transactions which fall below this limit;
- gives its prior approval to any significant strategic transaction which falls outside the approved orientations.

1.2 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 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 interest;
- 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 Chairman's report attached to the management report;
- carries out the controls and verifications which it deems appropriate;
- examines and closes the financial statements and ensures their sincerity;
- reviews, at least once a year, the draft budgets, the draft management report, and the drafts of the various statutory and regulatory reports which the Chairman or the Chief Executive Officer submit to it.

1.3 RISK MANAGEMENT

The Board of directors:

- 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;
- gives its approval, as the case may be, to the dismissal of the head of risk management.

1.4. 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.

1.5. REMUNERATION

The Board of directors:

- allocates 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 on the remuneration of the managers who are corporate officers (*dirigeants sociaux*), in particular their fixed and variable remuneration, as well as any other means of remuneration or benefit in kind.

1.6. 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 require 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 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 Chairman, the Chief Executive Officer, in case of dissociation of the functions, 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 all telecommunication means enabling their identification, guaranteeing their effective participation, and meeting, through their technical features, the needs of confidentiality, of continuous and simultaneous retransmission, the nature and the condition of application of which are defined by French law, 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. THE 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 provides assistance and advice to the Executive Management, while respecting the executive functions of the latter. 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 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 and Nominations 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 processes that concern the Board of directors and nominations which it will have to decide on;
- 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.

He makes sure that he maintains a close and trusting relationship with the Chief Executive Officer. He provides him with his assistance and his advice while respecting his executive responsibilities.

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, in particular, the head of risk management, 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.

He prepares the report of the Chairman of the Board of directors drawn up pursuant to Article L. 225-37 of the French Commercial Code.

3.2. DIRECTORS

The directors are identified and recommended by the Corporate Governance and Nominations Committee according to criteria based on their personal and collective qualities and according to the terms provided for in these Internal Rules which enable guaranteeing their independence as mentioned under Article 4.2.1.2.

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.

3.3. OTHER PARTICIPANTS

3.3.1. *Non-voting directors (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 Works Council (Comité central d'entreprise – CCE)*

The representative of the Works Council 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. *Head of risk management*

If necessary, in the event of a change in the risks affecting or likely to affect BNP Paribas, the head of risk management can report directly to the Board and, as the case may be, to the Internal control, risk management and compliance committee, 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 THE 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 the competent employee of the Group.

3.4.2. Systems

The placing at disposal of the directors or of any person attending the meetings of the Board of all of the documentation with a view to meetings 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 concerning each of the significant activities of BNP Paribas and guaranteeing efficient governance and supervision.

The directors shall see to maintaining their level of knowledge in financial matters. For this purpose, the company devotes the resources necessary to the training of the directors, in particular in the banking and financial field. Annual training courses are provided by BNP Paribas during which the members of the Board meet the persons in charge of the topics presented and by strategic seminars organised by BNP Paribas for the benefit of its directors.

The directors elected by the employees benefit from time devoted to training determined by the Board. At the end of the training, the training centre chosen by the Board must issue a certificate of regular attendance, which the director elected by the employees 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 at the expiry of the period of payment of the directors' attendance fees corresponding to twelve months of office. At the expiry of this period, every Director shall make sure to keep this minimum holding 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.

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 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.

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.

The directors elected by the employees benefit from a preparation time determined by the Board.

4.2.1.2. Independence and loyalty

Every member of the Board of directors must maintain at any time his independence of mind, analysis, assessment, decision and action so as to be able to issue opinions and make decisions in an informed, judicious, objective and independent way. He freely expressed his positions, eventually minority positions, about the subjects discussed in the meetings.

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

Each 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 are 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.

He is prohibited from communicating to any person outside of the Board of directors information which may not have been made public by BNP Paribas.

4.3. ETHICAL CONDUCT – HOLDING MULTIPLE CORPORATE OFFICES - CONFLICTS OF INTEREST – 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 office.

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 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. Accumulation of Company offices

The Director must comply with the statutory and regulatory provisions which are applicable to him or which are applicable to BNP Paribas concerning the holding of multiple corporate offices.

A Director who considers himself unable to continue to perform his duties on the Board of directors, or on the committees of which he is a member, must resign.

4.3.3. Conflicts of interest

“Conflicts of interest” shall mean the situations in which the interests of the Group, assessed with respect to the varied activities it carries out, and those of a Director are liable to be in competition, whether directly or indirectly or those in which the independence of the Director is liable to be called into question.

The Director undertakes to avoid, as far as possible, carrying out activities or entering into transactions which could be the source of conflicts of interest or which may, for third parties, appear to be in conflict of interest. If such transactions were, however, entered into, they shall be entered into under market conditions and immediately notified to the Secretary of the Board.

In order to allow the Board to ensure the proper implementation of the rules concerning conflicts of interest, the Director shall consult with the Chairman of the Board of directors about any situation which would be liable to be a conflict of interest.

The Director undertakes to keep the Secretary of the Board informed before the signature of any agreement and/or undertaking potentially regulated within the meaning of the French Commercial Code which could bind him to the principal shareholders, customers, suppliers or other parties of the Company. He must refrain from participating in the vote on the corresponding decision.

The Director informs the Chairman of the Board of directors of his intention to accept a new corporate office, 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 Committees of a corporate body or any other new office, in such a way that the Board of directors, on the recommendation of the Corporate Governance and Nominations Committee may decide on the compatibility of such an appointment with the office of Director in the Company.

Any Director of foreign nationality subject to statutory and regulatory obligations liable to be imposed on him because of his nationality must, at his initiative, not participate in certain decisions of the Board.

In the event of breach of these obligations 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 regulators concerned 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, corporate offices, duties carried out, etc).

The Director informs the Chairman of the Board of directors of any criminal or civil order entered against it, management prohibition, administrative or disciplinary sanction or measure of exclusion from a professional organisation as well as of any proceedings liable to entail such sanctions against him, any dismissal for professional misconduct or any dismissal from a corporate office of which he 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 the directors' attendance fees is determined by the General Shareholders' Meeting.

The individual amount of the attendance fees is determined by the Board of directors pursuant to a proposal by the Remunerations Committee. It comprises a predominant variable portion based on actual participation in Meetings, regardless of the means. Directors residing abroad receive an increased amount.

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

The remuneration of the non-voting directors is determined by the Board of directors pursuant to a proposal of the Remunerations 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 Board of directors’ needs and to the best corporate governance practices.

The Internal Control, Risk Management and Compliance Committee, the Remunerations Committee, the Corporate Governance and Nominations Committee may, in accordance with the provisions of Article 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 committee 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 and communicated, after approval, 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 the financial statements and documents: 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.

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 accounting and financial internal control 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 Finances Group. The Committee shall validate the Finances Group'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 Finances Group, 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.

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.

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 the latest on the Friday or Saturday morning preceding Committee meetings scheduled for the following Monday or Tuesday.

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 Finances Group 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.

7.2. CHAIRMAN'S REPORT

The Committee shall review the draft 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.

The Committee examines the key orientations of the Group's risk policy, based on measurements of risks and profitability of the operations provided 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 to the Remunerations committee's meeting and presents to it the position upheld.

8.1.4. Missions concerning internal control and compliance

The Committee also tackles 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 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 AND NOMINATIONS 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 of the Chairman of the Board of directors on corporate governance and all other documents required by applicable laws and regulations.

9.2. MISSIONS CONCERNING THE SELECTION OF THE DIRECTORS, MEMBERS OF THE COMMITTEES AND THE NON-VOTING DIRECTORS (CENSEURS)

The Committee identifies and recommends to the Board of directors candidates suitable for the office of director, with a view to proposing their candidacy to the General Meeting.

It specifies the missions and the qualifications necessary for the duties to be carried out within the Board of directors and calculates the time to be devoted to such duties. In the determination of the potential candidates, the Committee assesses the skills, based on the experience, integrity and the capacity of understanding of the stakes and of 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 offices 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 office and, lastly, the desire to protect the interests the Company and ensure its proper running.

The Committee sets an objective to achieve with respect to the balanced representation of women and men on the Board of directors. It draws up a policy aimed at achieving this objective.

The candidate chosen is received by the Chairman of the Committee and the Chairman of the Board who jointly decide on proposing the candidacy to the General Meeting.

It proposes the appointment of non-voting directors to the Board of directors.

It is also responsible for examining provisions allowing for the succession of the directors to be prepared.

It makes recommendations to the Board of directors on the appointment of the members and the Chairmen of the Committees when they are to be renewed.

9.3. MISSIONS CONCERNING THE ASSESSMENT OF THE BOARD OF DIRECTORS

The Committee periodically assesses and at least once a year, the balance and the diversity of knowledge, skills and experience which the members of the Board of directors have individually and collectively.

The Committee 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 which are entrusted to it and makes any useful recommendations to the Board. It also examines the availability of the directors.

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

9.4. MISSIONS CONCERNING THE SELECTION OF THE CHAIRMAN, MEMBERS OF THE EXECUTIVE MANAGEMENT AND OF THE HEAD OF RISK MANAGEMENT

The Committee periodically examines the policies of the Board of directors for selection and appointment of the actual managers, of the Chief Operating Officer(s) and of the head of risk management and makes recommendations in the matter.

The Committee puts forward recommendations for the selection of the Chairman for consideration by the Board of directors. Acting jointly with the Chairman, the Committee puts forward recommendations for the selection of the Chief Executive Officer for consideration by the Board of directors, and acting on the recommendation of the Chief Executive Officer, it puts forward recommendations for the selection of the Chief Operating Officers. It is informed, as the case may be, by the Chairman, the Chief Executive Officer and the Chief Operating Officer(s) of any new corporate office or any new duties which one of them is considering carrying out and prepares the analysis which will enable the Board of directors to decide on the opportunity of such prospect.

It is also responsible for examining the provisions allowing the succession of the Chairman and of the members of the Executive Management to be prepared.

9.5. 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 business orientations established by the Board of directors and taking into consideration their capacities for anticipation, decision, organisation and exemplarity.

9.6. MISSIONS CONCERNING THE INDEPENDENCE OF THE DIRECTORS

It is also tasked with assessing the independence of the directors and reporting its findings to the Board of directors.

9.7. 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.

ARTICLE 10. THE REMUNERATIONS 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, indemnities and benefits of any kind granted to the Company 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 management 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 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.

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