



# BNP PARIBAS CORPORATE GOVERNANCE

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Head of Key Shareholders Relations

SEPTEMBER 2022



**BNP PARIBAS**

The bank for a changing world



**BNP PARIBAS**

# Corporate Governance within BNP Paribas

The Board of Directors and its Committees

Corporate Officers' Compensation

Appendix

# A Corporate Governance Framework Deeply Embedded in the Bank's Culture

## A « Triptic » Culture / Governance / Business Strategy

- **Balance, stability and consistency of the strategy**
- **A culture of control and risk management, aiming at helping customers to implement their projects**
- **A risk-reward balance closely monitored throughout the cycle**
- **A commitment for a positive impact on society as a whole**
- **Business model is closely aligned with culture, focused on:**
  - Customers (vs sales)
  - Long term (vs short term) results
  - Sustainability (vs growth)
  - Efficiency (vs low cost)
- **A reputation based on rigorous rules of ethics, compliance and transparency and on a true social commitment: focus on**
  - Values, compliance, behavior
  - Consistency of message
  - Tone at the top.....Echo from the bottom

# Upholding the Highest Standards of Conduct and Ethics



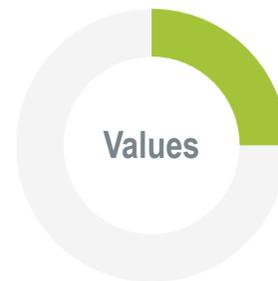
Mission

- **Provide financing** for the economy and advise clients in an ethical manner
- **Have a positive impact** on our stakeholders and on the society



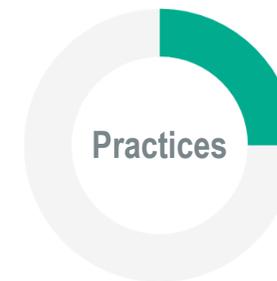
Rules

- Elaborated at Group level and built around **7 themes** (Customers' interests, Financial security, Market integrity, Professional ethics, Respect for colleagues, Group protection, Involvement with society)
- Enforced in every business line



Values

- **4 strengths:** Stability, Responsibility, Expertise, Good place to work
- **4 levers:** Agility, Culture of compliance, Client satisfaction, Openness



Practices

- Annual performance appraisal, opportunity to reinforce the importance of appropriate behaviors
- Employee training
- Processes for employees to raise concerns, notably whistleblowing procedure
- Incentive to be exemplary but also sanctions (clawbacks,...)

**Code of Conduct**



[Download the Code of Conduct](#)

Updated on December 2021  
(including the Addendum "fighting corruption")

- The Group Code of Conduct has been updated in December 2021, especially its section on Fighting corruption that provides definitions as well as examples to illustrate prohibited behaviors.
- The Code of Conduct reminds the importance of the Conduct rules and provides guidance for the staff on how to rely on the Group values and their personal judgement to make the right decision. It also emphasizes on the possibility of speaking up.
- Since 2016, the Code has been implemented in all the business lines through dedicated frameworks, under the coordination of Compliance, in order to ensure the integration of Conduct into operational processes, controls, and more generally day-to-day activity, as well as to closely monitor the Group transversal priorities. The governance around Conduct has been significantly reinforced at Group, operating divisions and business lines level over the past few years.
- At end of 2021, 96.5% of Group employees were trained on ethical or Conduct matters through notably a new dedicated training path assigned to all staff, called the Conduct journey.



# BNP Paribas Company Purpose

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- BNP Paribas has formalized a “company purpose”
  - Elaborated under guidance from the BNP Paribas Executive Committee
  - Reviewed by the Board of Directors
  - Based on BNP Paribas’ Shared convictions, the Group Code of Conduct and the Engagement Manifesto
  - Communicated to all employees and available externally

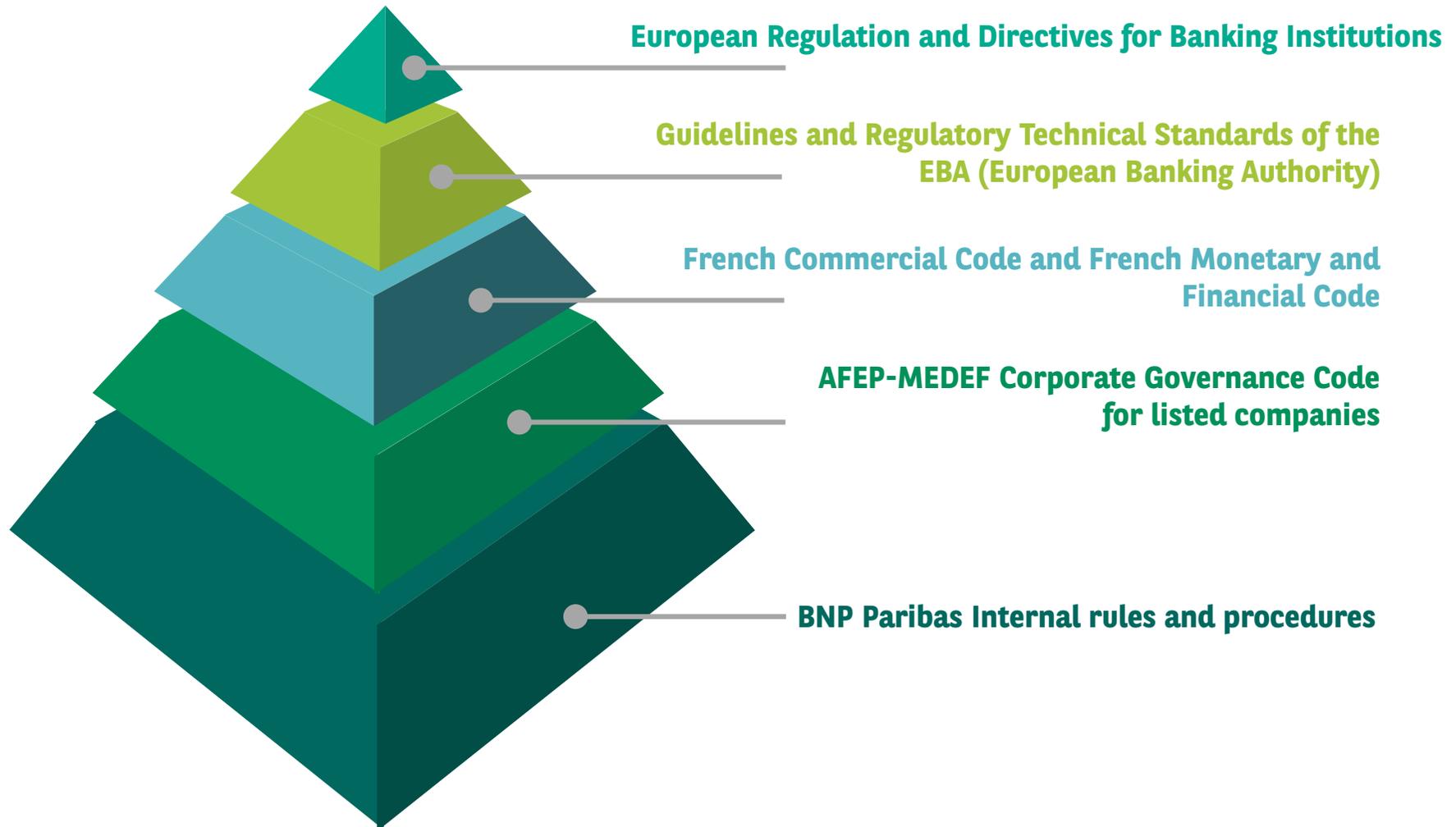
*“BNP Paribas’ mission is to contribute to **responsible and sustainable growth** by financing the economy and advising clients according to the **highest ethical standards**”*

- The Group offers secure, sound and innovative financial solutions to individuals, professional clients, corporates and institutional investors while striving to **address the fundamental challenges of today with regard to the environment, local development and social inclusion**
- BNP Paribas employees aim to **deliver services that have purpose and relevance for clients and the world around them**
- The Group innovates in order to be a **leader in sustainable finance**
- BNP Paribas is developing the tools to **measure our environmental and social impact**

# A Corporate Governance that Supports the Long-Term Strategy of the BNP Paribas Group

- Separation of the functions of Chairman and CEO since 2003
- No member of the Executive Committee sitting on any of the Board Committees since 1997
- Selection of Directors:
  - A forward looking “Fit & Proper” process
  - Diversity and complementarity of the personal characteristics as well as of the areas of expertise
- Audit Committee set up as soon as 1994, whose competencies were split:
  - Financial Statements Committee, on the one hand
  - On the other hand, an Internal Control, Risk Management and Compliance Committee
- A Committee of the Board in charge of dealing, among others, with CSR matters
- Undertaking by the Directors to put their mandate at the Board’s disposal in the event of any significant change in their duties or powers
- Shareholders’ protection: 1 share = 1 vote = 1 dividend
  - No double voting rights
  - No voting caps
- No anti takeover or public exchange offer provisions
- A compensation policy integrating the long-term interests of the Group and its stakeholders

# A Specific Feature for Corporate Governance in the Banking Industry (1/3): A Pyramid of Regulations



# A Specific Feature for Corporate Governance in the Banking Industry (2/3): Regulators' and Supervisors' Oversight

- Suitability of the Board of Directors: oversight by the ECB and the ACPR through the SSM



- Financial Institutions are subject to stricter regulations than other sectors' companies, for instance:
  - Fewer directorships allowed
  - On-going assessment of the suitability of Directors and Effective Directors
  - Guidelines by the EBA on internal governance and the « fit and proper » of Directors and Effective Directors

# A Specific Feature for Corporate Governance in the Banking Industry (3/3): Regulators' and Supervisors' Oversight

- Remuneration policy: mandatorily consistent with the institution's risk profile



## For executive management and “Material Risk Takers”:

- **Limitation of variable remuneration:**
  - $\leq$  fixed remuneration or  $\leq 2$  times fixed remuneration if prior approval by the Shareholders General Meeting;
- **obligation to apply deferral and retention periods to variable remuneration;**
- **obligation to pay part of the variable remuneration in equity-linked instruments;**
- **Claw-back and malus provisions.**

- **Corporate Governance within BNP Paribas subject to EBA (European Banking Authority) guidelines and to the continuous oversight and assessment of the ECB (European Central Bank) through the SSM (Single Supervisory Mechanism)**
- **A rich set of rules and guidelines forming an additional guarantee for stakeholders regarding the suitability of Corporate Governance and its alignment with shareholders' interests**



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Corporate Governance within BNP Paribas

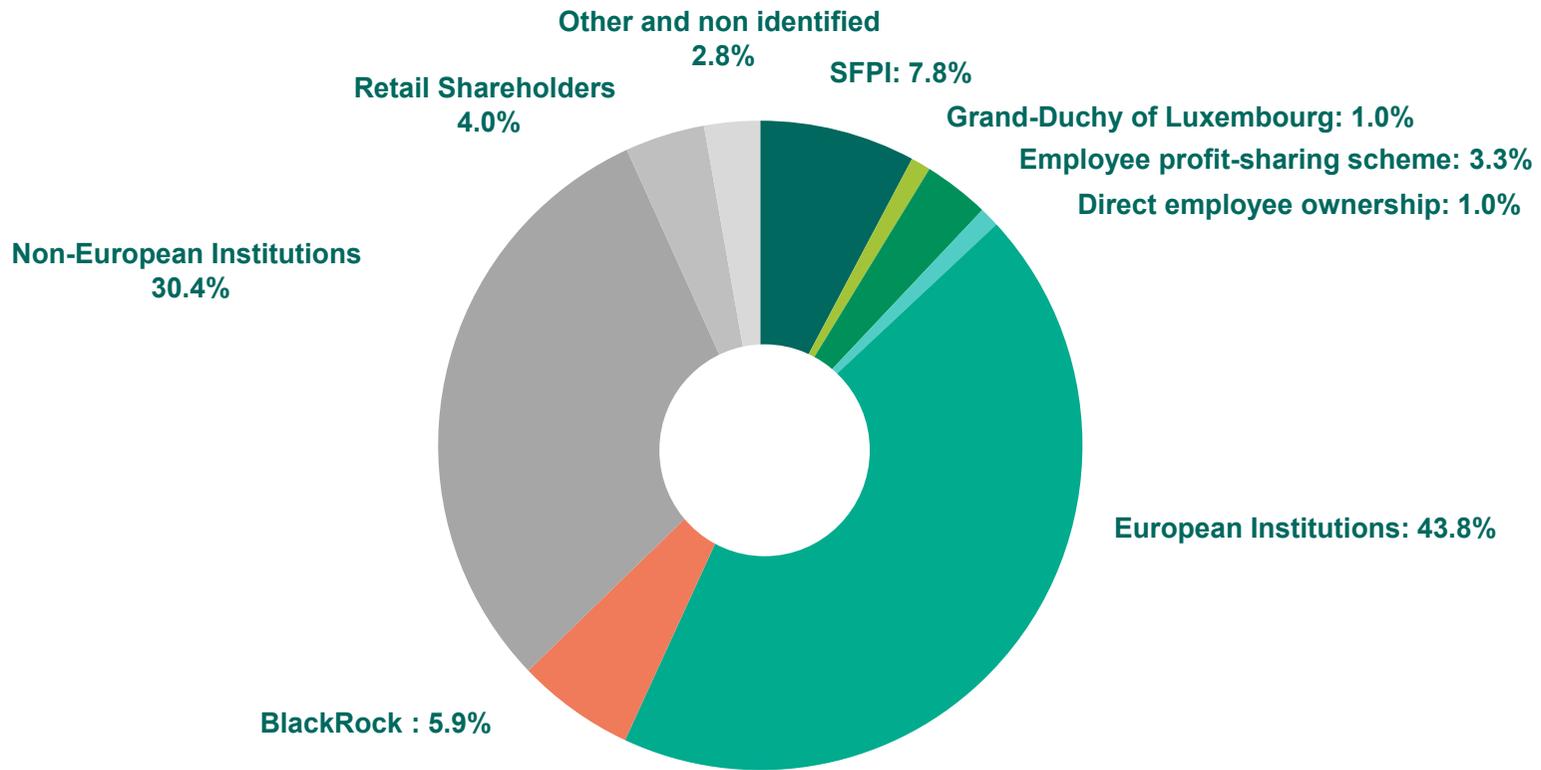
# The Board of Directors and its Committees

Corporate Officers' Compensation

Appendix

# Share Ownership Structure

At 30 June 2022 (as % of capital)



● A very liquid security, included in all the leading indices

# Composition of the Board of Directors after the 17 May 2022 AGM - Independence

The independence of Directors is ultimately demonstrated through their decisions



**13 Directors**

Appointed by the  
General Meeting

- For 3-year terms
- 5 nationalities
- 9 independent\* Directors
  - ✓ i.e. close to 70% of the Directors elected by shareholders
- 7 ladies
  - ✓ i.e. more than 50% of Directors elected by shareholders
- including 1 representative of employee shareholders



**2 Directors**

Elected by the staff

- For 3-year terms
- 1 lady
- Not considered independent\*\* (despite the method of their election)
- Of whom:
  - ✓ one sits at the Compensation Committee and at the Internal Control, Risk Management and Compliance Committee
  - ✓ and the other one sits at the Financial Statements Committee

➤ **Directors with complementary skills**

**A composition that fully complies with stock market recommendations:  
largely more than 50% of independent Directors**

(\* ) Within the meaning of the Afep-Medef Code and in accordance with the guidelines of the Board; (\*\* ) Within the meaning of the Afep-Medef Code

# Composition of the Board of Directors after the 17 May 2022 AGM - Main Areas of Expertise (1/2)

Composition must ensure the necessary diversity within the Board, in terms of competences and experience, in accordance with the Bank's strategy

## ● Members with complementary backgrounds and experiences:



- Right balance between
  - “Wisdom” and judgment stemming from experience and tenure, on the one hand
  - On the other hand, the need for refreshment bringing renewed thinking and perspective

## ● Members with diverse skills, among others:



- Banking and financial matters
- Risk assessment capabilities
- High level management of large corporations
- Human resource staffing
- International vision
  - Stemming not only from nationality, but also from professional experience and assignments
- Digital expertise
- Expertise in the field of CSR



To ensure the Board's ability to make informed and effective decisions

# Composition of the Board of Directors after the 17 May 2022 AGM -

## Main Areas of Expertise (2/2)

Diversity and complementarity of the Directors' skills throughout the BNP Paribas Board

DIRECTORS							
Jean Lemierre	Jean-Laurent Bonnafé	Jacques Aschenbroich	Juliette Brisac	Pierre-André de Chalendar	Monique Cohen	Hugues Epailard	
MAIN AREAS OF EXPERTISE							
<ul style="list-style-type: none"> <li>Bank / Finance</li> <li>Risk Management / Regulation Monitoring</li> <li>International business operations</li> <li>AML / TF</li> </ul>	<ul style="list-style-type: none"> <li>Bank / Finance</li> <li>International business operations</li> <li>CSR</li> <li>AML / TF</li> </ul>	<ul style="list-style-type: none"> <li>Industry</li> <li>International business operations</li> <li>Transformation</li> <li>CSR</li> </ul>	<ul style="list-style-type: none"> <li>Representation of employee shareholders</li> </ul>	<ul style="list-style-type: none"> <li>Industry</li> <li>International business operations</li> <li>CSR</li> </ul>	<ul style="list-style-type: none"> <li>Bank / Finance</li> <li>International business operations</li> <li>CSR</li> <li>AML / TF</li> </ul>	<ul style="list-style-type: none"> <li>Staff Representative</li> </ul>	
DIRECTORS							
Rajna Gibson-Brandon	Marion Guillou	Lieve Logghe	Christian Noyer	Daniela Schwarzer	Michel Tilmant	Sandrine Verrier	Fields Wicker-Miurin
MAIN AREAS OF EXPERTISE							
<ul style="list-style-type: none"> <li>Financial Markets</li> <li>Risk Management / Regulation Monitoring</li> <li>CSR</li> </ul>	<ul style="list-style-type: none"> <li>Risk Management / Regulation Monitoring</li> <li>CSR</li> <li>Technology</li> </ul>	<ul style="list-style-type: none"> <li>Finance</li> <li>Business Operations</li> <li>Change management including in the field of CSR</li> </ul>	<ul style="list-style-type: none"> <li>Bank / Finance</li> <li>International business operations</li> <li>Risk Management / Regulation Monitoring</li> <li>AML / TF</li> </ul>	<ul style="list-style-type: none"> <li>Money Markets</li> <li>Geopolitics</li> <li>CSR</li> </ul>	<ul style="list-style-type: none"> <li>Bank / Finance</li> <li>Risk Management / Regulation Monitoring</li> <li>International business operations</li> <li>AML / TF</li> </ul>	<ul style="list-style-type: none"> <li>Staff Representative</li> </ul>	<ul style="list-style-type: none"> <li>Bank / Finance</li> <li>Financial Markets</li> <li>International business operations</li> </ul>

● A forward-looking succession planning process in order to implement a balanced set of skills, experiences and personalities

# Re-Elections of Directors and Nomination of a Director



## M. Jean-Laurent BONNAFE

- CEO of BNP Paribas since 1<sup>st</sup> December 2011
- As a Corporate Officer, doesn't sit on any Committee of the Board

**Main areas of expertise:**  
Bank/Finance - International  
Business Operations - CSR -  
AML/TF



## Ms. Marion GUILLOU

- Independent director of companies
- Member of the Corporate Governance, Ethics, Nominations and CSR Committee and of the Remuneration Committee
- Independent within the meaning of the Afep-Medef Code

**Main areas of expertise:**  
Risk Management/Regulation  
Monitoring - CSR - Technology



## M. Michel TILMANT

- Belgian
- Director of companies
- Chairman of the Internal Control, Risk Management and Compliance Committee\*\*
- Independent within the meaning of the Afep-Medef Code\*\*\*

**Main areas of expertise:**  
Bank/Finance - Risk Management/  
Regulation Monitoring - International  
Business Operations - AML/TF



## Ms. Lieve LOGGHE

- Belgian
- CFO of EURONAV
- Member of the Financial Statements Committee
- Independent within the meaning of the Afep-Medef Code\*

**Main areas of expertise:**  
Finance - Business Operations -  
Change management including in the  
field of CSR

(\*) As assessed by the Board; (\*\*) Until the 17 May 2022 AGM; (\*\*\*) As assessed by the Board and until the 17 May 2022 AGM

# Composition of the Committees of the Board after the 17 May 2022 AGM



## Financial statements committee

- C. NOYER (I)  
Chairman
- J. ASCHENBROICH (I)
- J. BRISAC (DRES)
- L. LOGGHE (I)
- S. VERRIER (ER)
- F. WICKER-MIURIN (I)



## Internal control, risk management and compliance committee

- M. COHEN (I)  
Chairwoman
- H. EPAILLARD (ER)
- R. GIBSON-BRANDON (I)
- M. TILMANT (NI)
- F. WICKER-MIURIN (I)



## Corporate governance, ethics, nominations & CSR committee

- J. ASCHENBROICH (I)  
Chairman
- P A. DE CHALENDAR (I)
- M. COHEN (I)
- M. GUILLOU (I)
- D. SCHWARZER (I)



## Compensation committee

- P A. DE CHALENDAR (I)  
Chairman
- H. EPAILLARD (ER)
- M. GUILLOU (I)
- F. WICKER-MIURIN (I)

1 common participant

2 common participants, in order to better implement CRD4 guidelines

(I): Independent Director, in accordance with the guidelines of the Board and of the Afep-Medef Code; (NI): Non Independent Director, in accordance with the guidelines of the Board and of the Afep-Medef Code; (DRES): Director Representing Employee Shareholders; (ER): Employee Representative.



**BNP PARIBAS**

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# Corporate Officers' Compensation

Appendix

## Yearly Fixed Compensation

J. LEMIERRE	950,000 €*
J-L. BONNAFE	1,843,000 €**
Y. GERARDIN	1,500,000 €
T. LABORDE	900,000 €

*\*Since the beginning of his chairmanship (1<sup>st</sup> December 2014); \*\* An 18% increase effective January 1<sup>st</sup>, 2022*

# Increase of the CEO's Fixed Remuneration from 2022 on: strictly aligned with the evolution of the remuneration of BNP Paribas SA employees

- **A fixed remuneration at the very low end of the benchmark among peers**
- **Stability of the global package since 10 years**
  - the sum of the fixed compensation and of the target annual variable compensation having remained unchanged since 2012
- **Stability of the fixed compensation over the last 6 years**
  - revision in 2016 in the context of a package restructuring with an unchanged global amount
    - *to comply with new rules of the European Banking Authority*
- **Increase in the average fixed compensation of BNP Paribas SA employees in France**
  - 26.7% over the 2012-2021 period\*
  - **18.5%** over the 2016-2021 period\*
- **Proposal of a new amount for the CEO's fixed compensation from 2022 onwards:**
  - **+ 18%**
  - i.e. 1,843,000 euros
  - ***still at the low end of the benchmark***

\*Sources: BNPP SA social reports :

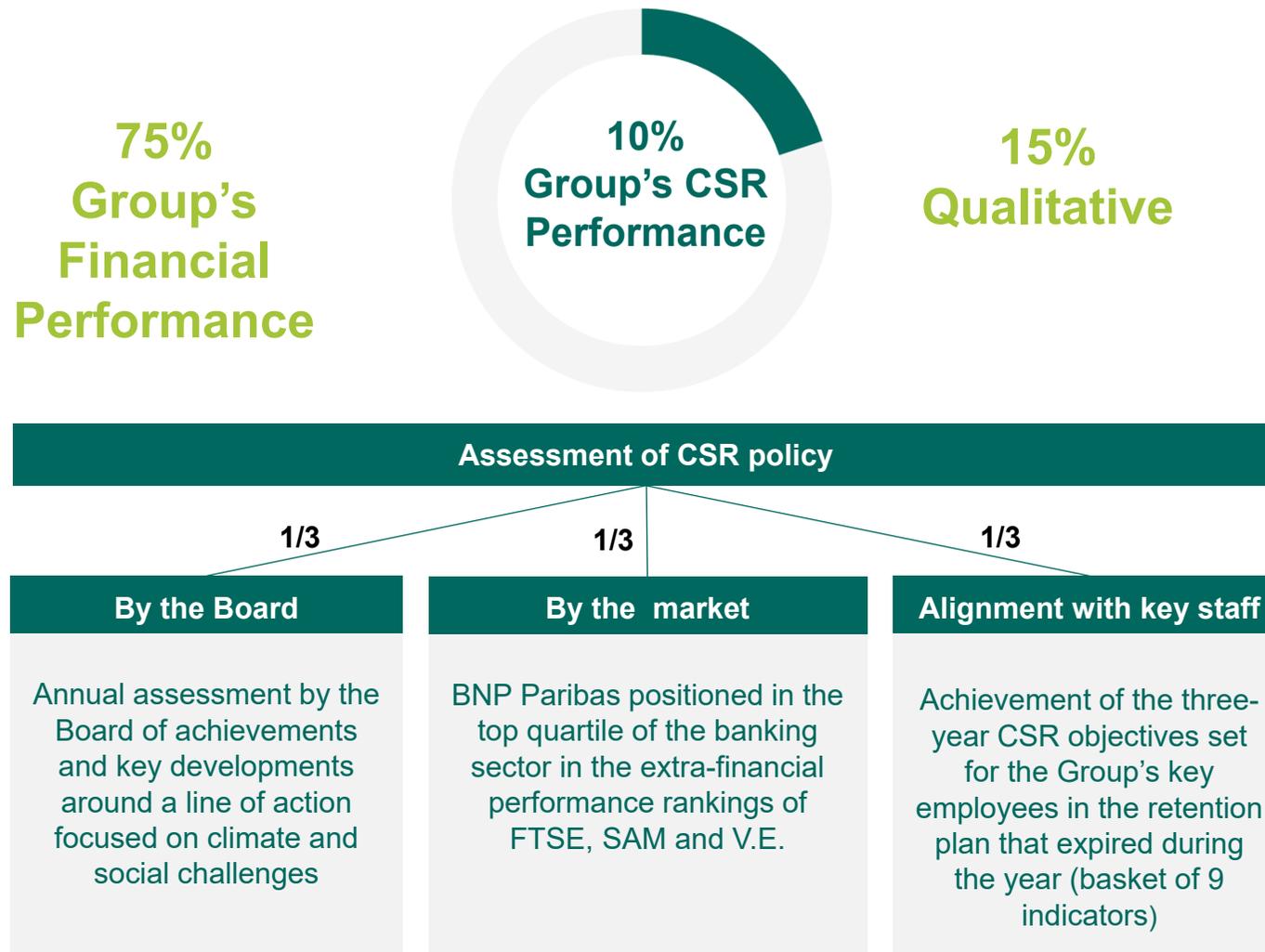
[https://invest.bnpparibas/document/bilan-social-2020\\_page 20](https://invest.bnpparibas/document/bilan-social-2020_page%2020); [https://invest.bnpparibas/document/bilan-social-16\\_page 18](https://invest.bnpparibas/document/bilan-social-16_page%2018); [https://invest.bnpparibas/en/document/bilan-social-1\\_page 16](https://invest.bnpparibas/en/document/bilan-social-1_page%2016)

# Rules for Determining the Annual Variable Remuneration for 2021 (1/2)

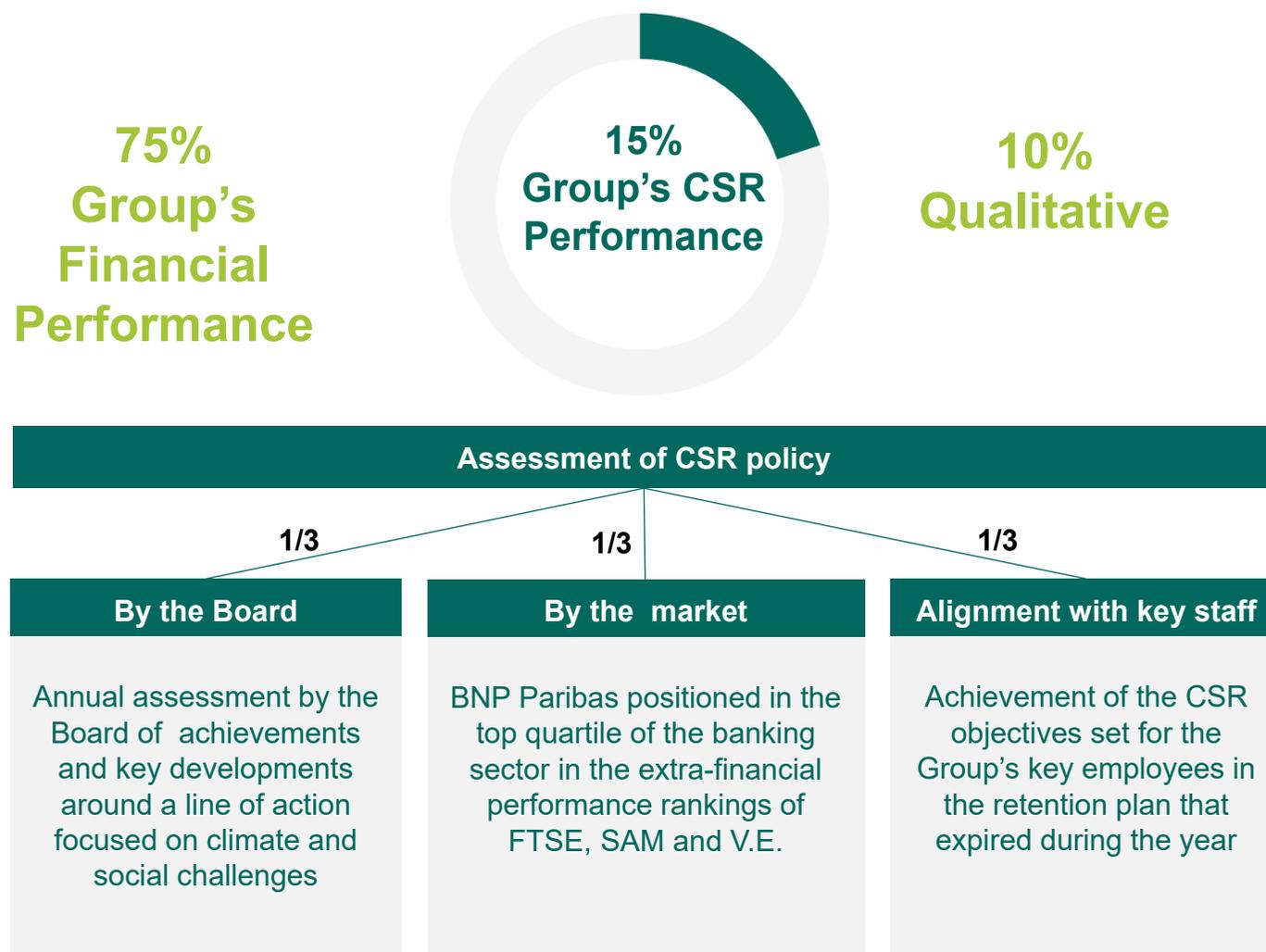
- **The target variable compensation (as a % of fixed remuneration) is set at:**
  - 100% for Jean-Laurent Bonnafé, Philippe Bordenave, Yann Gérardin and Thierry Laborde
    - Reminder: Jean Lemierre, Chairman, receives neither annual nor multi-annual variable compensation, i.e. only a fixed remuneration
- **Malus and claw-back in case of inappropriate behavior**
- **60% of the variable compensation awarded is deferred over 5 years + 1 additional retention year**
- **Half of the non-deferred portion is paid in May 2022, after approval by the AGM**
  - the other half being postponed for 1 year from the date of the award (until March 2023) and indexed to the share price
- **The *deferred* amounts will be:**
  - Spread in fifths, from 2023 to 2028
  - Indexed for half of their total to the share price since the date of the award
    - each payment will thus be made half in March every year, then half in March the following year, indexed to the performance of the BNP Paribas share
    - the last payment of the award for 2021 will be made in March 2028
  - Subject to a performance condition: pre-tax RoE of the Group for FY preceding the payment > 5%

**The Board makes sure that the amount of the variable remuneration is consistent with the Group's results evolution**  
**The annual variable compensation cannot exceed 120% of the fixed remuneration**

# Rules for Determining the Annual Variable Remuneration for 2021 (2/2)



# Rules for Determining the Annual Variable Remuneration - Evolution for 2022



# Rules for Determining the Annual Variable Remuneration

for 2021 (executive corporate officers in office from 18.05.2021)

Criteria	% of TVR <sup>(1)</sup>	Jean-Laurent BONNAFÉ Philippe BORDENAVE*	% of TVR <sup>(1)</sup>	Yann GERARDIN** Thierry LABORDE**
Criteria related to financial performance  75%	37.50%	Change in Earnings per Share (EPS) during previous FY	18.75%	Change in EPS during previous FY
			18.75%	% of achievement of the Group's budgeted GOI
	37.50%	% of achievement of the Group's budgeted Gross Operating Income (GOI)	18.75%	Evolution of the NIBT <sup>(2)</sup> of activities under responsibility
			18.75%	% of achievement of the budgeted GOI for the scope under responsibility

*The exceeding of the objective cannot result in an award higher than 130% of the target*

Criteria related to the Group's CSR performance	10.00%	Multicriteria assessment of environmental, social and societal actions.
Qualitative criteria	15.00%	Implementation of the strategic orientations, including the transformation plan, in terms of human, organizational and technical aspects, taking into account the general context of the FY under review

*The exceeding of qualitative and CSR objectives does not result in an increase of the variable component linked to these criteria*

**The Board makes sure that the amount of the variable remuneration is consistent with the Group's results evolution  
The annual variable compensation cannot exceed 120% of the fixed remuneration**

<sup>(1)</sup> Target Variable Remuneration; <sup>(2)</sup> Net Income Before Tax; \* Pro rata temporis until May 18, 2021; \*\* Prorata temporis of their executive corporate officer mandate

# Assessment of the Annual Variable Remuneration for 2021: Strict Implementation of the Criteria

CRITERIA		% of TVR(*)	
		Weight	Results
		<b>JEAN-LAURENT BONNAFÉ PHILIPPE BORDENAVE**</b>	
Criteria related to the Group's financial performance	Change in Earnings per Share during previous FY <i>The exceeding of the objective cannot result in an award higher than 130% of the target</i>	37.5%	48.75%
	% of achievement of the Group's budgeted Gross Operating Income <i>The exceeding of the objective cannot result in an award higher than 130% of the target</i>	37.5%	41.28%
Criteria related to the Group's CSR performance	Multicriteria assessment of environmental, social and societal actions <i>The exceeding of objectives related to the Group's CSR performance does not result in an increase of the variable component linked to these criteria.</i>	10.0%	10.0%
Qualitative criteria	Implementation of the strategic orientations, including the transformation plan, in terms of human, organizational and technical aspects, taking into account the general context of the FY under review <i>The exceeding of qualitative objectives does not result in an increase of the variable component linked to these criteria</i>	15.0%	15.0%

**The annual variable compensation cannot exceed 120% of the fixed remuneration**

\* Target Variable Remuneration, equal to 100% of the fixed remuneration; \*\*Prorata temporis until May 18, 2021

# Assessment of the Annual Variable Remuneration for 2021: — Strict Implementation of the Criteria

CRITERIA		% of TVR(*)		
		Weight	Results **	
			Y. GERARDIN	T. LABORDE
Criteria related to the financial performance	Change in Earnings per Share during previous FY	18.75%	24.38%	24.38%
	% of achievement of the Group's budgeted Gross Operating Income (GOI)	18.75%	20.64%	20.64%
	Evolution of the Net Income Before Tax of activities under responsibility	18.75%	24.38%	24.38%
	% of achievement of the budgeted GOI for the scope under responsibility	18.75%	23.49%	19.26%
<b><i>The exceeding of the objective cannot result in an award higher than 130% of the target</i></b>				
Criteria related to the Group's CSR performance	Multicriteria assessment of environmental, social and societal actions	10.0%	10.0%	10.0%
Qualitative criteria	Implementation of the strategic orientations, including the transformation plan, in terms of human, organizational and technical aspects, taking into account the general context of the FY under review	15.0%	15.0%	15.0%

***The exceeding of CSR and qualitative objectives does not result in an increase of the variable component linked to these criteria***

**The annual variable compensation cannot exceed 120% of the fixed remuneration**

\* Target Variable Remuneration, equal to 100% of the fixed remuneration; \*\* Pro rata temporis of their term of office

## — Annual Variable Compensation Awarded in Respect of 2021

	Reminder of Target Variable Remuneration	Cap to Annual Variable Remuneration	Variable Compensation set by the Board	« Award / target » ratio	Reminder 2020 ratio « Award / target »
J-L. BONNAFÉ	1,562,000 €	1,874,400 €	1,796,769 €	115.03%	94.7%
PH. BORDENAVE*	381,720 €	458,064 €	439,093 €	115.03%	94.7%
Y. GERARDIN**	927,419 €	1,112,903 €	1,093,334 €	117.89%	-
T. LABORDE**	556,452 €	667,742 €	632,463 €	113.66%	-

\* Prorata temporis until May 18, 2021; \*\*Prorata temporis of their executive corporate officer mandate

# Evolution of the Remuneration\* Awarded to Corporate Officers

2007	2021	GROSS REMUNERATION	2011	2021
100	121	Group Net Income	100	157
100	101	Total Remuneration	100	123
100	70	Variable Remuneration	100	107

## Compensation of Executive Corporate Officers:

- Cushions on the rise
- Amplifies downwards

the evolution of the company's profitability

\* LTIP not included

# Rules of the Conditional Five-Year Long-Term Incentive Plan (LTIP) granted to Corporate Officers in FY 2021

- *Reminder:* as soon as April 2011, the Board of Directors established a long-term (five-year) fully conditional compensation plan, in order to align the interests of Executive Corporate Officers with the medium- to long-term performance of the BNP Paribas Group
- Initial amount equal to the target annual variable compensation in respect of 2021, split into 2 equal parts
- **One assessed on the evolution of the share price in absolute terms**
  - No payment would be made if the share price has not increased by at least 5% over the 5 year period
  - If this condition is met, a factor is applied to the initial amount, varying less than proportionally with the share price increase
  - Full payment of the initial award only if the share price has increased by at least 20%
    - Maximum: 175%
- **The other half in relative terms, measuring the over-performance of the share as compared to the EURO STOXX Banks index**
  - No payment is made if the share just follows the evolution of the benchmark
  - Full payment of this 50% portion only if an over-performance of at least 10% is observed
    - Maximum: cap at the initial award
- The amounts granted are valued in accounting terms by an outside firm. In 2022, it was thus valued at **43,58%** of the target annual variable compensation granted in respect of 2021
- Payment conditional to the presence in the Group during the five years of the plan (except retirement)
- In case of inappropriate behaviour: malus, and clawback over 5 years

**No payment linked to the LTIP can exceed 137.5% of the initial awarded amount**

# Long-Term Conditional Compensation Granted for 2021 to Corporate Officers

	LTIP awarded by the Board	Valuation at Fair Value of the Granted Amount <sup>(1)</sup>
J-L. BONNAFÉ	1,562,000 €	680,720 €
Y. GERARDIN	927,419 €	404,169 €
T. LABORDE	556,452 €	242,502 €

● — Performance-linked payment after a five-year period

Determined on the basis of the target annual variable compensation in respect of FY2021

<sup>(1)</sup> Fair Value of 43.58% of the amount awarded, as calculated by an independent expert

# Total Compensation granted on 2021 and Comparison With 2020

	2020	2021	FIXED	ANNUAL VARIABLE	LTIP (at fair value <sup>(1)</sup> )	TOTAL
J. LEMIERRE	950,000 €	950,000 €	950,000 €			950,000 €
			950,000 €			950,000 €
J-L. BONNAFÉ	1,562,000 €	1,562,000 €	1,562,000 €	1,479,214 €	649,636 €	3,690,850 €
			1,562,000 €	1,796,769 €	680,720 €	4,039,489 €
Ph. BORDENAVE*	1,000,000 €	381,720 €	1,000,000 €	947,000 €	415,900 €	2,362,900 €
			381,720 €	439,093 €	0 €	820,813 €
Y. GERARDIN**	-	927,419 €	-	-	-	-
			927,419 €	1,093,334 €	404,169 €	2,424,922 €
Th. LABORDE**	-	556,452 €	-	-	-	-
			556,452 €	632,463 €	242,502 €	1,431,417 €

**More than 50% of the compensation indexed to the share price**

(1) Fair Value of the amount awarded, as calculated by an independent expert: 41.59% for FY2020 and 43.58% for FY 2021;  
\*Prorata temporis until May 18, 2021; \*\*Prorata temporis of their executive corporate officer mandate in 2021

# Focus on Compensation Multiples

	2017	2018	2019	2020	2021
<b>Chairman of the Board</b>					
Ratio / average employee compensation	12	12	12	12	11
Evolution N/N-1		2%	-5%	-2%	-5%
Ratio / median employee compensation	19	19	18	18	17
Evolution N/N-1		-1%	-3%	-2%	-2%
<b>Director and Chief Executive Officer</b>					
Ratio / average employee compensation	44	41	45	43	44
Evolution N/N-1		-6%	9%	-5%	3%
Ratio / median employee compensation	68	62	69	66	69
Evolution N/N-1		-9%	11%	-5%	6%
<b>Chief Operating Officer</b>					
<b>Ph. Bordenave*</b>					
Ratio / average employee compensation	28	26	28	27	23
Evolution N/N-1		-7%	9%	-5%	-14%
Ratio / median employee compensation	43	39	43	42	36
Evolution N/N-1		-9%	11%	-4%	-12%
<b>Y. Gérardin**</b>					
Ratio / average employee compensation					42
Evolution N/N-1					nm
Ratio / median employee compensation					66
Evolution N/N-1					nm
<b>Th. Laborde**</b>					
Ratio / average employee compensation					25
Evolution N/N-1					nm
Ratio / median employee compensation					39
Evolution N/N-1					nm

\*Prorata temporis until May 18, 2021; \*\*Prorata temporis of their executive corporate officer mandate in 2021



## Total Compensation Paid in 2021 and Comparison With 2020

	2020	2021	FIXED	ANNUAL VARIABLE	LTIP*	TOTAL
J. LEMIERRE	950,000 €	950,000 €	950,000 €			950,000 €
			950,000 €			950,000 €
J-L. BONNAFÉ	1,562,000 €	1,562,000 €	1,562,000 €	1,151,790 €	0 €	2,713,790 €
			1,562,000 €	1,220,036 €	0 €	2,782,036 €
Ph. BORDENAVE**	1,000,000 €	381,720 €	381,720 €	737,294 €	0 €	1,737,294 €
			381,720 €	781,041 €	0 €	1,162,761 €
Y. GERARDIN***	-	927,419 €	-	-	-	-
			927,419 €	-	-	927,419 €
Th. LABORDE***	-	556,452 €	-	-	-	-
			556,452 €	-	-	556,452 €

\*The LTIP allocated in 2015 and 2016 did not give rise to payment due to the non-fulfillment of the performance condition linked to the change in the value of the BNP Paribas share ;  
 \*\*Prorata temporis until May 18, 2021; \*\*\*Prorata temporis of their executive corporate officer mandate in 2021



**BNP PARIBAS**

Corporate Governance within BNP Paribas  
The Board of Directors and its Committees  
Corporate Officers' Compensation

# Appendix

# — Post-Employment Benefits

## ●— End-of-career compensation

- No commitment has been made in respect of Jean Lemierre
- Jean-Laurent Bonnafé is not entitled to any retirement bonus
- Yann Gérardin and Thierry Laborde should benefit upon their retirement and depending on their original contractual situation, from the provisions applicable to all employees of BNP Paribas SA

## ●— Pension scheme: Corporate Officers

- Are not entitled to any kind of defined-benefit top-up pension plan
- Are part of the defined-contribution pension plan (article 83 of the French General Tax Code) set up for all BNP Paribas SA employees

## ●— End-of-mandate compensation

- Corporate Officers receive no contractual compensation for the termination of their term of office

## — Non-Competition Clause for Jean-Laurent Bonnafé, CEO

In order to protect BNP Paribas' and its shareholders' interests in the case of Jean-Laurent Bonnafé leaving the Company

- **A 12-month non-competition agreement has been concluded**
  - Preventing Jean-Laurent Bonnafé from cooperating with any listed financial institution or insurance company worldwide (or such non listed firm in France)
- **For which a compensation would be awarded to Jean-Laurent Bonnafé, equal to 1.2 times the amount of the fixed plus annual variable remuneration he received during the year preceding his leaving**
  - Paid in 12 monthly instalments
- **In coherence with the recommendations of the Afep-Medef Code, no payment can be made if Jean-Laurent Bonnafé leaves for retirement or has exceeded the age of 65**

# Stock Options and Performance Shares

## Holding and Retention of Shares

- **Jean Lemierre, Corporate Officer since 1 December 2014, received no allocation from 2011 onwards**
- **Jean-Laurent Bonnafé hasn't received stock options or performance shares since 2008**
- **Yann Gérardin and Thierry Laborde received no allocation since they are Corporate Officers (18 May 2021)**
- **Throughout their term of office, Corporate Officers are required to hold a minimum number of shares, set at:**
  - 10,000 shares for Jean Lemierre: holding<sup>(\*)</sup> = 37,152<sup>(1)</sup>
  - 80,000 shares for Jean-Laurent Bonnafé: holding<sup>(\*)</sup> = 107,824<sup>(2)</sup>
  - 30,000 shares for Yann Gérardin: holding<sup>(\*)</sup> = 160,514<sup>(3)</sup>
  - 20,000 shares for Thierry Laborde: holding<sup>(\*)</sup> = 15,923<sup>(4)</sup>

(\*) At 31/12/2021 ; (1) Including 1 326 in the Company Savings Plan ; (2) Including 26 449 in the Company Savings Plan ; (3) Including 26 914 in the Company Savings Plan ; (4) Including 1 888 in the Company Savings Plan; holding to be completed by the end of 2022

# Principles of Variable Remuneration of "Group MRT\*"

- These principles are established and proposed by Group Human Resources in cooperation with the relevant business units, presented for approval to the "Compliance, Risks, Finance" Group Committee, then decided upon by senior management after review by the Compensation Committee and approval by the Board of Directors. Every year:
  - procedures are audited and checked *a posteriori* by the Inspectorate General, whose report is submitted to the Compensation Committee and addressed to the Regulator;
  - the ECB reviews the principles and the implementation of the Group's compensation policy
- Since 2014, the Shareholders' Meeting is presented with some provisions on the MRT remuneration package
- The overall variable remuneration of market professionals takes into account, for each business unit concerned, all the components of profits and risk:
  - direct revenues, and direct and indirect costs allocated to the business unit;
  - internal cost of refinancing (including the real cost of liquidity);
  - risk provisioning;
  - cost of capital allocated to the entity
- No guaranteed bonus, except in a recruitment context
  - limited to one year, and paid in the same conditions as the "non-guaranteed" remuneration (in particular with a deferred part, subject to indexation and eventually performance criteria)
- No guarantee of compensation for premature termination
- Ban on hedging and insurance linked to the fluctuation of the share or the profitability of the businesses

\* Material Risk Takers

# Total Remuneration awarded to “Group MRT\*” on the Account of 2021

- **1,011 M€ were awarded to 1,214 persons on the account of 2021**
  - For 2020, 977 M€ and 1,444 employees
  - For 2019, 953 M€ and 1,476 employees
  - For 2018, 874 M€ and 1,431 employees
- **461 M€ have been allocated as fixed compensation**
- **550 M€ have been awarded as variable pay**
  - Half in cash and half in cash indexed to the BNP Paribas share price, after a 6 month lockup period for the deferred part and 9 months for the non-deferred part\*\*
  - 40% to 60% deferred\*\*
  - Only 120 M€ paid in March 2022
    - Then in 11 instalments from 2022 to 2027\*\*
  - Deferred part locked in over the four years following the year of the award, subject to financial performance and behavioral conditions to be met every year: last payment in September 2026\*\*
  - If these conditions are not achieved for a FY, the corresponding deferred annual fraction is lost (“malus”)
  - In case of an inappropriate behavior leading to dismissal: malus and possibly clawback

\* Material Risk Takers; \*\*Except for Executive Corporate Officers and ExCo members: the deferral period is 5 years

## — Variable Remuneration paid to “Group MRT\*” in 2021

- **841 M€ were paid to 1,214 persons\*\***
  - 440 M€ as fixed compensation
  - 401 M€ as variable compensation
    - in connection with variable remuneration awarded for FY2017 to FY2020
- **In 2020, 858 M€ and 1,444 employees\*\***
- **In 2019, 822 M€ and 1,476 employees\*\***
- **In 2018, 844 M€ and 1,431 employees\*\***

*\* Material Risk Takers; \*\* Including people exclusively counted in because of their high level of remuneration*