BNP PARIBAS

THIRD AMENDMENT TO THE 2021 UNIVERSAL REGISTRATION DOCUMENT

FILED WITH THE AMF ON JULY 29TH, 2022

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This is a translation into English of the Universal Registration Document of the Company issued in French and it is available on the website of the Issuer

Société anonyme (Public Limited Company) with capital of 2,468,663,292 euros
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R.C.S.: PARIS 662 042 449

Summary

This third amendment to the 2021 Universal Registration Document has been filed with the AMF on 29 July 2022 as competent authority under Regulation (EU) 2017/1129 without prior approval pursuant to Article 9 of Regulation (EU) 2017/1129;

The universal registration document may be used for the purposes of an offer to the public of securities or admission of securities to trading on a regulated market if approved by the AMF together with any amendments, if applicable, and a securities note and summary approved in accordance with Regulation (EU) 2017/1129.

This Universal Registration Document may form part of a prospectus of the Issuer consisting of separate documents within the meaning of the Prospectus Regulation.

1. HALF YEAR MANAGEMENT REPORT

1.1. Group presentation

Benefitting from its integrated and diversified model, BNP Paribas is leader in banking and financial services in Europe. The Group leverages on strong customer franchises and business lines strategically aligned to better serve customers and long-term partners, which are leaders in Europe and favourably positioned internationally. The Group operates in 65 countries and has almost 190,000 employees, including nearly 145,000 in Europe.

BNP Paribas' organisation evolved in 2021, and is now based on three operating divisions: Corporate & Institutional Banking (CIB), Commercial, Personal Banking & Services (CPBS) and Investment & Protection Services (IPS).

Corporate and Institutional Banking (CIB) division, combines:

- Global Banking,
- Global Markets,
- and Securities Services.

Commercial, Personal Banking & Services division, covers:

- Commercial & Personal Banking in the euro zone:
  - Commercial & Personal Banking in France (CPBF),
  - BNL banca commerciale (BNL bc), Italian Commercial & Personal Banking,
  - Commercial & Personal Banking in Belgium (CPBB),
  - Commercial & Personal Banking in Luxembourg (CPBL);

- Commercial & Personal Banking outside the euro zone, organised around:
  - Europe-Mediterranean, covering Commercial & Personal Banking outside the euro zone and the United States, in particular in Central and Eastern Europe, Turkey and Africa
  - BancWest in the United States;

- Specialised businesses:
  - BNP Paribas Personal Finance,
  - Arval and BNP Paribas Leasing Solutions,
  - New Digital Businesses (in particular Nickel, Floa, Lyf) and BNP Paribas Personal Investors.

Investment & Protection Services division, combines:

- Insurance (BNP Paribas Cardif),
- Wealth and Asset Management: BNP Paribas Asset Management, BNP Paribas Real Estate, BNP Paribas Principal Investments (management of the BNP Paribas Group's portfolio of unlisted and listed industrial and commercial investments) and BNP Paribas Wealth Management.

BNP Paribas SA is the Parent Company of the BNP Paribas Group.

1.2. First half 2022 results

STRONG GROWTH IN RESULTS AND A POSITIVE JAWS EFFECT

BNP Paribas' performances this semester confirm its solid trajectory, with growth in revenues, a positive jaws effect[1] and prudent risk management.

The Group's diversified and integrated model and its ability to accompany clients and the economy in a comprehensive way continued to drive strong growth in revenues and results in the first half 2022. These performances reflect its unique positioning in Europe stemming from its leading platforms.

The Group's growth potential is proven and sustained by robust business momentum and by strategic developments finalised in 2021 and 2022. Loans outstanding increases by 7.0% compared to the first half 2021 and deposits by 7.2%. Growth is disciplined and accompanied by the objective of a positive jaws effect every year and in every division. In addition, the Group benefits from a long-term, prudent and proactive risk management, as illustrated, for example, in its ratio of cost of risk to gross operating income, which is one of the lowest in Europe.

For the first half of the year, revenues, at 25,999 million euros, rose sharply, by 10.1% compared to the first half 2021.

In the operating divisions, revenues increased strongly, by 11.6%[2] compared to the first half 2021, driven by robust business activity. Revenues rose strongly, by 19.3%[3] at Corporate & Institutional Banking and increased in all three business lines. Revenues[4] rose sharply, by 9.8%[5] at Commercial, Personal Banking & Services, driven by very strong growth at Commercial & Personal Banking and at Specialised Businesses. At Investment & Protection Services they were up by 1.0%[6] in an environment marked by the performance of the financial markets.

Group operating expenses, at 17,372 million euros, increased by 10.2% compared to the first half 2021. In the first half 2022, they included the exceptional impact of restructuring costs[7] and cost-adaptation measures[8] (54 million euros) and IT reinforcement costs (132 million euros) for total exceptional items of 185 million euros (148 million in the first half 2021).

In the operating divisions, operating expenses increased by 9.0%[9] compared to the first half 2021. The jaws effect was very positive (+2.6 points). Operating expenses at Corporate & Institutional Banking increased by 16.2%[10] with the support of business development, the impact of the change in scope and the increase of taxes subject to IFRIC 21. The jaws effect was very positive (+3.1 points). Operating expenses increased by 5.8% at Commercial, Personal Banking & Services[11], on the back of increased business activity and scope effects in Commercial & Personal Banking and Specialised Businesses. The jaws effect was very positive (+4.0 points). Operating expenses at Investment & Protection Services increased by 5.1%[12] mainly driven by support for business development and targeted initiatives.

Group gross operating income came to 8,627 million euros, up sharply by 10.1% and by 16.5% in the operating divisions.

[1] At constant scope and exchange rates
[2] +9.7% at constant scope and exchange rates
[3] +14.5% at constant scope and exchange rates
[4] Including 100% of Private Banking in Commercial & Personal Banking (including PEL/CEL effects in France)
[5] +8.9% at constant scope and exchange rates
[6] +1.2% at constant scope and exchange rates
[7] Restructuring costs related to the restructuring of certain businesses (in particular at CIB)
[8] Adaptation measures related in particular to BancWest and CIB
[9] +6.7% at constant scope and exchange rates
[10] +9.9% at constant scope and exchange rates
[11] Including 100% of Private Banking in Commercial & Personal Banking
[12] +4.7% at constant scope and exchange rates

At 1,245 million euros, the cost of risk declined by 27.2% compared to the first half 2021, reflecting, in particular, releases of provisions on performing loans (stages 1 and 2), especially at BancWest in the first quarter 2022. Cost of risk stood at just 27 basis points of customer loans outstanding.

The Group's operating income, at 7,382 million euros, thus rose very sharply, by 20.5% compared to the first half 2021 and by 27.8% in the operating divisions.

The Group's non-operating items amounted to 397 million euros (890 million euros in the first half 2021). At 15 million euros, exceptional items fell sharply compared to the first half 2021 (698 million euros). In the first half of the year, they reflected the +244-million-euro positive impact from the badwill on bpost bank and a +204-million-euro capital gain, offset by the -159-million-euro impairment on Ukrsibbank's securities and the -274-million-euro negative impact related to the reclassification to profit-and-loss of exchange differences. As a reminder, in the first half 2021, exceptional items included the impact of the +302-million-euro capital gain realised on the sale of buildings, the +96-million-euro capital gain realised on the sale of a stake held by BNP Paribas Asset Management, and the +300-million-euro capital gain realised on the sale of Allfunds shares[1].

Pre-tax income, at 7,779 million euros, was thus up sharply, by 10.9%. The impact of the effects induced by the hyperinflation situation[2] in Turkey to pre-tax income of the first half 2022 was limited overall and amounted to +10 million euros.

The average corporate income tax rate was 26.0%, due mainly to the first quarter recognition of the full-year's taxes and contributions subject to IFRIC 21 "Taxes", a large proportion of which are not deductible.

Group's net income attributable to equity holders thus came to 5,285 million euros, up sharply, by 13.0% compared to the first half 2021. When excluding exceptional items, it came to 5,409 million euros, a very strong 26.4% increase compared to the first half 2021.

The annualised non-revaluated return on tangible equity stood at 12.4%. It reflects the solid performances of the BNP Paribas Group on the back of the strength of its diversified and integrated model.

As at 30 June 2022, the Common Equity Tier 1 ratio stood at 12.2%[3]. The Group's immediately available liquidity reserve stood at 450 billion euros, equivalent to over one year of room to manoeuvre in terms of wholesale funding. The leverage ratio[4] stood at 3.8%.

Tangible net book value per share[5] stood at 78.0 euros, equivalent to a compound annual growth rate of 6.8% since 31 December 2008.

The Group continues to develop a policy of engaging with society through a group-wide approach organised around three major pillars reaffirmed with the "Growth, Technology & Sustainability 2025" strategic plan and is engaged with clients to support them in their transition towards a sustainable economy. It is strengthening its steering tools, processes and governance. And it has taken the measures necessary for aligning its loan portfolios to meet its carbon-neutrality commitment. *Euromoney*, a financial monthly, recognised this approach, awarding the BNP Paribas two prizes for the second consecutive year: Best Bank for Sustainable Finance and Best Bank for ESG Data & Technology.

The Group continues to reinforce its internal control set-up.

[1] Disposal of 6.7% stake in Allfunds

[2] Application of IAS 29 standards "Financial Reporting in Hyperinflationary Economies" and efficiency of the hedging with CPI linkers taken into account and now registered in "Other non Operating items"

[3] CRD4, including IFRS9 transitional arrangements

[4] Calculated in accordance with Regulation (EU) 2019/876, without opting for the temporary exclusion related to deposits with Eurosystem central banks authorised by the ECB decision of 18 June 2021

[5] Revaluated

CORPORATE & INSTITUTIONAL BANKING (CIB)

CIB achieved very good results. Business drive was strong, on the back of a diversified and integrated model with strengthened capabilities to support clients.

On the fixed-income, currency and commodity derivatives markets, client demand remained strong, driven in particular by reallocation and hedging needs. The level of activity in Equities was robust, driven by a good momentum in derivatives and a good level of activity in prime services and cash equities, despite a less active primary market. Financing led for clients on primary markets worldwide, including syndicated loans, bonds and equities, decreased by 34%[1] compared to the second quarter 2021 with nonetheless a rebound in syndicated loan volumes in the second quarter 2022 compared to the first quarter 2022 worldwide[2]. Securities Services achieved strong business drive and a very high level of transactions.

For the first half of the year, CIB's revenues, at 8,809 million euros, rose sharply, by 19.3% compared to the first half 2021 (+14.5% at constant scope and exchange rates) driven by the diversification of business lines and the development of platforms. It rose in all three business lines: Global Markets (+33.8%), Global Banking (+1.4%) and Securities Services (+10.7%).

At 2,516 million euros, revenues at Global Banking grew by 1.4% compared to the first half 2021 (-2.4% at constant scope and exchange rates), a very good performance in an unfavourable context. Global Banking achieved further market share gains.

At 5,017 million euros, Global Markets revenues increased very sharply, by 33.8% compared to the first half 2021. Revenues at FICC[3] were up by 31.4% to 3,017 million euros, driven by a very strong increase in demand, particularly in reallocation and hedging on fixed-income, currency, emerging markets and commodity derivative products. Revenues at Equity & Prime Services grew by 37.6% to 2,000 million euros, backed by a good overall level of activity on equity markets, particularly in derivatives.

At 1,276 million euros, Securities Services revenues rose by 10.7% compared to the first half 2021 (+8.8% at constant scope and exchange rates) with an increase in average assets in the first half of the year, a very steep increase in transaction volumes, and the impact of the interest-rate environment.

At 5,668 million euros, CIB's operating expenses were up by 16.2% compared to the first half 2021, driven by good growth in activity, the impact of the change in scope and the increase of taxes subject to IFRIC 21. CIB's jaws effect was very positive (+3.1 points).

CIB's gross operating income thus grew very strongly by 25.3% compared to the first half 2021, to 3,141 million euros.

At 78 million euros, CIB's cost of risk was low. It improved by 151 million euros compared to the first half 2021, due to a high basis of comparison, particularly in the first quarter 2021.

CIB thus achieved pre-tax income of 3,077 million euros, up very sharply, by 32.6% compared to the first half 2021.

[1] Source: Dealogic as at 30.06.22
[2] EMEA: Europe, Middle East and Africa
[3] Fixed Income, Currency and Commodities

COMMERCIAL, PERSONAL BANKING & SERVICES (CPBS)

CPBS's results were up sharply, and its jaws effect was very positive. Commercial & Personal Banking performed very well, and Specialised Businesses grew strongly. At 659 billion euros, loans outstanding rose by 5.9% compared to the first half 2021. At 640 billion euros, deposits increased by 7.8% compared to the first half 2021. Private banking achieved good net asset inflows of almost 8.4 billion euros in the first half 2022.

Thus, CPBS continued to transform its operating model.

For the first half of the year, revenues[1], at 14,163 million euros, rose sharply by 9.8% compared to the first half 2021. They were driven by the very good performance of Commercial & Personal Banking, with a sustained rise in the euro zone and a very strong growth at Europe-Mediterranean, and a steep increase at Specialised Businesses driven by very strong growth at Arval, strong increase at Leasing Solutions and a good level of results at Personal Finance.

At 9,112 million euros, operating expenses[1] increased by 5.8% compared to the first half 2021, driven by stronger business activity. The jaws effect was very positive (+4.0 points).

Gross operating income[1] thus came to 5,051 million euros and rose sharply by 17.8% compared to the first half 2021.

The cost of risk[1] decreased steeply by 23.2% compared to the first half 2021 to 1,046 million euros, mainly on the back of releases of provisions at BancWest in the first quarter 2022.

Hence, after allocating one third of Private Banking's net income to Wealth Management (Investment & Protection Services division), CPBS achieved pre-tax income[2] of 4,139 million euros, up sharply compared to the first half 2021 (+44.1%). The impact of the effects induced by the hyperinflation situation[3] In Turkey on pre-tax income was overall positive and limited (+23 million euros[1]).

Commercial & Personal Banking in France (CPBF)

CPBF business drive expanded in all customer segments. Loans outstanding rose by 3.5% compared to the first half 2021, driven by good growth in investment loans to corporates, as well as mortgage loans and consumer loans. Deposits increased by 6.0% compared to the first half 2021 with an increase in corporate and retail deposits. Off-balance sheet savings decreased by 3.0% compared to 30 June 2021 in an unfavourable market environment. Private Banking attracted very strong net asset inflows of 4.5 billion euros, mainly through the acquisition of new clients and by extending its existing relationships with entrepreneurs in the second quarter.

For the first half of the year, revenues[1] amounted to 3,342 million euros, up by 8.2% compared to the first half 2021. Net interest income[1] increased by 6.6%, thanks to growth in loan activity and the impact of the interest-rate and market environment. Fees[1] increased by 10.1%, with a marked increase in all customer segments.

[1] Including 100% of Private Banking in Commercial & Personal Banking, including PEL/CEL effects (+€25m in the first half of 2022 and +€21m in the first half 2021)

[2] Including 2/3 of Private Banking in Commercial & Personal Banking (including PEL/CEL effects)

[3] Application of IAS 29 standards "Financial Reporting in Hyperinflationary Economies" and efficiency of the hedging with CPI linkers taken into account and now registered in "Other non Operating items"

At 2,356 million euros, operating expenses[1] increased by 4.7% compared to the first half 2021, driven by business development. The jaws effect was very positive (+3.5 points).

Gross operating income[1] amounted to 986 million euros, up by 17.7% compared to the first half 2021.

The cost of risk[1] stood at 157 million euros (226 million euros in the first half 2021). It was at a low level, at 14 basis points of customer loans outstanding.

Hence, after allocating one third of Private Banking's net income in France to Wealth Management (Investment & Protection Services division), CPBF achieved pre-tax income[2] of 782 million euros, up very sharply, by 41.5% compared to the first half 2021.

BNL banca commerciale (BNL bc)

Business drive was strong at BNL bc. Loans outstanding increased by 2.4% compared to the first half 2021 and by 4.7% when excluding non-performing loans, with a good increase in mortgage loans and corporate loans. Deposits rose by 9.9% compared to the first half 2021, up sharply in all customer segments. Off-balance sheet savings decreased by 2.7% compared to 30 June 2021 in an unfavourable market context. Life insurance outstanding rose by 4.0% compared to 30 June 2021. Private Banking net asset inflows amounted to 836 million euros. BNL bc continues to transform its operating model by outsourcing certain back-office activities.

For the first half of the year, revenues[3] decreased by 1.4% compared to the first half 2021 (-0.1% at constant scope[4]) to 1,326 million euros. Net interest income[3] decreased by 2.1%, despite higher loan volumes. Fees[3] decreased by 0.4% but rose by 2.9% at constant scope[4], driven by growth in banking fees, particularly among corporate clients.

At 870 million euros, operating expenses[3] decreased by 2.6%[5], thanks mainly to the effects of the transformation of the operating model and cost-adaptation measures (the "*Quota 100"* retirement plan). The jaws effect was positive (+1.2 point).

Gross operating income[3] rose slightly, by 0.9%, to 456 million euros. At 237 million euros, the cost of risk[1] worsened slightly, by 23 million euros, but was still low, at 59 basis points of customer loans outstanding), due to a limited number of new defaults.

Hence, after allocating one third of Private Banking's net income in Italy to Wealth Management (Investment & Protection Services division), BNL bc achieved pre-tax income[6] of 205 million euros, down by 6.5% compared to the first half 2021.

[1] Including 100% of Private Banking in France, including PEL/CEL effects (+€25m in the first half 2022 and +€21m in the first half 2021)
[2] Including 2/3 of Private Banking in France (including PEL/CEL effects)
[3] Including 100% of Italian Private Banking
[4] Divestment in a business on 02.01.22
[5] -0.7% at constant scope
[6] Including 2/3 of Private Banking in Italy

Commercial & Personal Banking in Belgium (CPBB)

Business drive was good at CPBB. Loans outstanding rose by 14.4% compared to the first half 2021 and by 7.2% at constant scope and exchange rates[1], driven by the steep increase in corporate loans and the growth in loans to individuals, particularly mortgage loans. Deposits rose by 9.6% compared to the first half 2021 and by 1.6% at constant scope and exchange rates[1]. Off-balance sheet savings decreased by 3.1% compared to 30 June 2021, due to market performances. Net asset inflows in Private Banking came to 1.7 billion euros in the first half 2022.

For the first half of the year, revenues[2] rose sharply, by 10.3% compared to the first half 2021 and reached 1,900 million euros. Net interest income[2] rose sharply, by 11.5%, driven mainly by growth in business activity on the corporates segment and the increase in retail loan volumes. Fees[2] rose sharply, by 7.8%, including a steep increase across all customer segments.

At 1,459 million euros, operating expenses[2] increased, by 9.4% compared to the first half 2021, driven by the support for business development, scope effects[1] and the increase of taxes subject to IFRIC 21. The jaws effect was positive (+0.9 point).

Gross operating income[2] rose very sharply, by 13.5% to 442 million euros.

At 1 million euros, the cost of risk[2] improved significantly by 93 million euros compared to the first half 2021. Provisions on non-performing loans (stage 3) decreased.

The cost of risk was close to zero in basis points of customer loans outstanding, a very low level.

Hence, after allocating one third of Private Banking's net income in Belgium to Wealth Management (Investment & Protection Services division), CPBB achieved a very strong increase in pre-tax income[3] to 421 million euros (+56.1% compared to the first half 2021), reflecting the steep rise in gross operating income and the decrease in the cost of risk.

Commercial & Personal Banking in Luxembourg (CPBL)

Business drive was very good. Loans outstanding rose by 6.9% compared to the first half 2021, driven by an increase in mortgage loans and corporate loans. Deposits rose by 8.9% compared to the first half 2021 and off-balance sheet savings decreased by 8.0% compared to 30 June 2021, due to market performances.

For the first half of the year, revenues[4] rose strongly by 10.5% compared to the first half 2021 to 228 million euros. Net interest income[4] increased sharply, by 7.1% compared to the first half 2021, in relation to larger volumes. Fees[4] were up very significantly by 24.1% compared to the first half 2021, financial fees in particular.

At 146 million euros, operating expenses[4] increased by 2.2% compared to the first half 2021, in relation to growth in activity. The jaws effect was very positive (+8.3 points).

The cost of risk[4] was very low, with a release of 8 million euros (a 2 million euros release in the first half 2021).

After allocating one third of Private Banking's net income in Luxembourg to Wealth Management (Investment & Protection Services division), CPBL thus achieved pre-tax income[5] of 89 million euros (63 million in the first half 2021).

[1] Consolidation of bpost bank, effective 01.01.22
[2] Including 100% of Private Banking in Belgium
[3] Including 2/3 of Private Banking in Belgium
[4] Including 100% of Private Banking in Luxembourg
[5] Including 2/3 of Private Banking in Luxembourg

Europe-Mediterranean

Europe-Mediterranean confirmed its very good business drive. Loans outstanding increased by 19.5%[1] compared to the first half 2021, driven by significant growth in volumes in Poland and Turkey across all customer segments, with a more marked increase among corporates. Deposits rose by 19.6%[1] compared to the first half 2021 and were up in Poland and in Turkey. Lastly, fees rose steadily in all segments.

For the first half of the year, revenues[2], at 1,205 million euros, rose very sharply, by 48.2%[1], driven by strong growth of interest income.

At 840 million euros, operating expenses[2] increased sharply by 20.2%[1] compared to the first half 2021. The jaws effect was very positive.

Gross operating income[2] grew by 213 million euros compared to the first half 2021, to 365 million euros.

The cost of risk[2] decreased to 87 million euros in the first half 2022 (97 million euros in the first half 2021).

After allocating one third of Private Banking's net income in Turkey and in Poland to Wealth Management (Investment & Protection Services division), Europe-Mediterranean thus achieved pre-tax income[3] of 445 million euros, or pre-tax income 2.6[1] times higher than pre-tax income of the first half 2021, despite the -12-million-euro[2] overall negative impact of the effects induced by the hyperinflation situation[4] in Turkey on pre-tax-income in the second quarter 2022.

BancWest

BancWest maintained its robust business drive. Loan production was very good (+15.8%[5] compared to the first half 2021), driven by a steep increase in corporate loans and a high level of mortgage production. Loans outstanding nonetheless decreased by 2.7%[1] compared to the first half 2021, due to the end of the SBA's Paycheck Protection Program (PPP) and the impact of the discontinuation of a business in 2020. Deposits decreased by 1.3%[1], (-9.5%[1] in customer deposits[6], in particular in money-market deposits). Assets under management in Private Banking increased by 2.0%[1] compared to 30 June 2021 to 18.5 billion dollars as at 30 June 2022. The Group previously announced, on 20 December 2021 the sale of Bank of the West to BMO Financial Group, with the operation expected to close in late 2022[7].

For the first half of the year, revenues[8], at 1,275 million euros, decreased by 4.5%[1] compared to the first half 2021

At 970 million euros, operating expenses[8] increased by 8.3%[1], in relation particularly to targeted projects.

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[1] At constant scope and exchange rates
[2] Including 100% of Private Banking in Turkey and in Poland
[3] Including 2/3 of Private Banking in Turkey and in Poland
[4] Application of IAS 29 standards "Financial Reporting in Hyperinflationary Economies" and efficiency of the hedging with CPI linkers taken into account and now registered in "Other non Operating items"
[5] At constant scope and exchange rates excluding Paycheck Protection Program loans
[6] Deposits excluding treasury activities
[7] Upon customary condition precedents, including the approval of the relevant antitrust and regulatory authorities; see press release of 20 December 2021
[8] Including 100% of Private Banking in the United States

Gross operating income[1] thus came to 306 million euros, down by 30.6%[2] compared to the first half 2021.

The cost of risk[1] improved significantly by 164 million euros, due mainly to releases of public health crisis provisions in the first quarter 2022.

Hence, after allocating one third of Private Banking's net income in the United States to Wealth Management (Investment & Protection Services division), BancWest achieved pre-tax income[3] of 453 million euros in the first half 2022, up by 5.6%[2] compared to the first half 2021.

<u>Specialised Businesses – Personal Finance</u>

Business drive was good at Personal Finance. Loans outstanding increased by 2.3% compared to the first half 2021 (after including 50% of Floa's loans outstanding, which has been consolidated since 1 February 2022).

For the first half of the year, revenues, at 2,759 million euros, rose by 4.1% compared to the first half 2021 and by 1.4% at constant scope and exchange rates, due mainly to increased volumes and a marked recovery in production.

At 1,494 million euros, operating expenses increased by 3.0% compared to the first half 2021 (+0.7% at constant scope and exchange rates), due mainly to support for business development. The jaws effect was positive (0.7 point).

Gross operating income rose by 5.4% compared to the first half 2021 and came to 1,266 million euros.

The cost of risk at 624 million euros improved by 41 million euros compared to the first half 2021.

Driven by the decrease in cost of risk, pre-tax income of Personal Finance thus came to 670 million euros, up sharply, by 23.6% compared to the first half 2021 (+19.9% at constant scope and exchange rates).

<u>Specialised Businesses – Arval & Leasing Solutions</u>

The Specialised Businesses Arval and Leasing Solutions performed very well this quarter.

Arval's financed fleet expanded by 6.2%[4] compared to the first half 2021. Used car prices remained at a very high level. Leasing Solutions' outstanding increased by 3.9%[5] compared to the first half 2021 with good resiliency in commercial momentum.

For the first half of the year, revenues at Arval and Leasing Solutions, at 1,705 million euros, rose by 30.4% compared to the first half 2021. They were driven by Arval's very good performance, on the back of organic growth in the financed fleet and high used car prices, and by the good performance at Leasing Solutions with an increase in its outstanding.

At 707 million, operating expenses increased by 7.7% compared to the first half 2021. The jaws effect was overwhelmingly positive (+23.7 points) reflecting the capacity for growth at marginal cost and the improvement in productivity.

Pre-tax income at Arval and Leasing Solutions rose very sharply, by 64.1% compared to the first half 2021 and reached 965 million euros. It included the +40-million-euro positive impact of applying IAS 29 standards in Turkey in the first half 2022.

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[1] Including 100% of Private Banking in the United States
[2] At constant scope and exchange rates
[3] Including 2/3 of Private Banking in the United States
[4] Increase of the average fleet in thousands of vehicles
[5] At constant scope and exchange rates

Specialised Businesses – New Digital Businesses (Nickel, Floa, Lyf) and Personal Investors

New Digital Businesses (NDB) and Personal Investors (PI) achieved good performances on the whole. Nickel launched its "new generation" payment offering in Belgium and continued to expand in France and Spain with a high pace of account openings[1], reaching 2.7 million accounts opening as at 30 June 2022 and more than 7,500 points of sale[2]. Floa, the French leader in Buy Now Pay Later solutions, the acquisition of which the Group closed on 31 January 2022, has 4.0 million customers (+27.4% compared to 30 June 2021). Floa's contribution has been 50% consolidated into NDB since 1 February 2022. PI achieved a strong increase in customer numbers (+7.6% compared to the first half 2021) with order numbers remaining high in an unfavourable market context.

For the first half of the year, revenues[3], at 422 million euros, increased sharply, by 10.1% compared to the first half 2021, driven by the strong expansion at Nickel and the normalisation of revenues at a high level at PI.

Operating expenses[3], at 271 million euros, increased by 12.9% compared to the first half 2021, driven by business development and start-up costs at NDB. Gross operating income[1] increased by 5.4% compared to the first half 2021 to 150 million euros.

The cost of risk[3] increased by 35 million euros, due to provisions on Floa.

As a result of the increase in cost of risk and after allocating one third of Private Banking's income in Germany to Wealth Management (Investment & Protection Services division), pre-tax income[4] at NDB and PI decreased by 17.4% compared to first half 2022, to 110 million euros.

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[1] On average in 2Q22 in France and Spain
[2] Since inception in France and Spain
[3] Including 100% of Private Banking in Germany
[4] Including 2/3 of Private Banking in Germany

INVESTMENT & PROTECTION SERVICES (IPS)

Business drive was good on the whole. At +9.0 billion euros, net asset inflows in the first half 2022 held up well to an unfavourable market. Underlying business was good at Insurance and expanded at Real Estate, driven by Advisory.

For the first half of the year, revenues increased by 1.0%, compared to the first half 2021, driven by higher revenues at Wealth Management and Real Estate and the impact of lower financial markets on the financial result, offset partly by capital gains in the Insurance business. Revenues were almost unchanged at Asset Management[1] in a highly unfavourable market environment.

At 2,119 million euros, operating expenses increased by 5.1% compared to the first half 2021, driven mainly by support for business development and targeted initiatives.

Gross operating income came to 1,254 million euros, decreasing by 5.1% compared to the first half 2021.

At 1,411 million euros, pre-tax income at IPS decreased by 5.6% compared to the second half of 2021. This compares to a high base of "other non-operating items" in the first half 2021, due to the sale of a stake at Asset Management. The contribution of associates rose, and capital gains on sales from associates were booked in the second quarter 2022.

Net asset inflows and assets under management

As at 30 June 2022, assets under management[2] came to 1,198 billion euros, down by 0.6% compared to 31 December 2021, mainly due to a highly unfavourable -117.7 billion euros performance effect due to market trends, that was partly offset by a favourable exchange rate effect of +17.6 billion euros and a positive scope effect of +12.0 billion euros, related particularly to the acquisition of Dynamic Credit Group in the Netherlands and a new partnership in India.

On the whole, in the first half 2022, net asset inflows held up well (+9.0 billion euros). Net asset inflows at Wealth Management were very good, thanks to strong activity in Europe and particularly in France and Germany. Net asset inflows at Insurance were good, particularly in unit-linked products, and gross asset inflows were very good particularly in France. Asset Management registered net asset outflows on the first half, due to significant outflows from money-market funds, offset partly by net asset inflows in the second quarter on medium- and long-term vehicles.

As at 30 June 2022, assets under management[2] broke down as follows: 531 billion euros in asset management (including 30 billion euros at Real Estate Investment Management and 1 billion euros at Principal Investments), 411 billion euros at Wealth Management and 255 billion euros at Insurance.

Insurance

Insurance maintained its very good business drive. Net asset inflows were good, particularly in unit-linked products, and gross asset inflows were very good particularly in France. Protection continued its growth in France, with a good performance in protection and property & casualty (Cardif IARD), and internationally, in particular in Latin America and Asia.

For the first half of the year, revenues decreased by 3.2% compared to the first half 2021, to 1,508 million euros. The good performance of Savings and stronger Protection business were offset by the impact of market declines on the financial result partly offset by capital gains.

At 780 million euros, operating expenses increased by 4.0% compared to the first half 2021, with support for business development and targeted projects.

---

[1] Including Principal Investments

[2] Including distributed assets

At 826 million euros, pre-tax income at Insurance decreased by 4.6% compared to the first half 2021 despite the higher contribution and capital gains on the sale of businesses from associates in the second quarter 2022.

Wealth and Asset Management (WAM)[1]

Business held up well, on the whole, at WAM[1]. Wealth Management achieved very good net asset inflows, in particular in Germany and France, while transaction fees rose, particularly in Asia. In a challenging context, Asset Management achieved net outflows in the first half due to strong outflows in money-market funds, partly offset by net inflows in second quarter 2022 in medium- and long-term vehicles. Real Estate continued to recover, with a good performance from Advisory.

For the first half of the year, revenues increased by 4.8% compared to the first half 2021, to 1,865 million euros, driven by the very good performance at Wealth Management, by the steep rise in revenues at Real Estate, particularly in Advisory and almost stable revenues at Asset Management[2], despite the unfavourable market context in the second quarter 2022.

Operating expenses rose by 5.7% compared to the first half 2021, to 1,339 million euros, driven by the support for business development.

Pre-tax income at Wealth and Asset Management thus came to 585 million euros, down by 6.9% compared to the first half 2021. This compares with a high basis from the first half 2021, which included the capital gain on the sale of a stake by Asset Management in the first quarter 2021.

*

* *

[1] Asset Management, Wealth Management, Real Estate and Principal Investments

[2] Including Principal Investments

CORPORATE CENTRE

For the first half of the year, revenues totalled 16 million euros (322 million euros in the first half 2021), reflecting the +108-million-euro impact from the revaluation of proprietary credit risk included in derivatives (DVA), offset by the impact of a negative non-recurring item in the first quarter 2022.

Operating expenses stood at 679 million euros in the first half 2022. They included in particular an increase in taxes subject to IFRIC 21[1], and the exceptional impact of restructuring costs[2] and cost-adaptation measures[3] (54 million euros) and IT reinforcement costs (132 million euros). The cost of risk was 117 million euros (121 million euros in the first half 2021).

Other non-operating items amounted to -109 million euros in the first half 2022 (589 million euros in the first half 2021). They included the-159 million euros impact of the impairment on Ukrsibbank's securities and the reclassification to profit and loss of exchange differences[4] for -274 million euros, offset partly by the +244-million-euro impact of the badwill on bpost bank and the +204-million-euro capital gain on the sale of a stake. In the first half 2021, they included the exceptional impact of a +302 million euros capital gain on the sale of buildings and a 300 million euros capital gain on the sale of Allfunds shares[5].

Corporate Centre 's pre-tax income thus came to -847 million euros (+330 million euros in the first half 2021).

*
*   *

[1] Booking in 1Q of almost the entire amount of taxes and contributions for the year, based on the application of IFRIC 21 "Taxes", including the estimated contribution to the Single Resolution Fund
[2] Restructuring costs related particularly to the discontinuation or restructuring of certain businesses (particularly at CIB
[3] Related in particular to BancWest and CIB
[4] Previously recorded in deduction of the Consolidated Equity
[5] Disposal of 6.7% stake in Allfunds

FINANCIAL STRUCTURE

The Group has a very solid financial structure.

The common equity Tier 1 ratio stood at 12.2%[1] as at 30 June 2022, decreasing by 20 basis points compared to 31 March 2022, mainly due to:

- the placing of the second quarter's results into reserves after taking a 60% pay-out ratio into account net of organic growth in risk-weighted assets (+0 bp)
- the impact on "Other Comprehensive Income" (OCI) of market prices as at 30 June 2022 and the effect of the increased volatility on "Prudent Value Adjustment" (PVA): -20bp (-30bp since 31 December 2021)

The overall impact of other effects on the ratio remained limited overall.

The leverage ratio[2] stood at 3.8% as at 30 June 2022.

The immediately available liquidity reserves stood at 450 billion euros as at 30 June 2022 and represent more than one year of room to manoeuvre in terms of wholesale resources

[1] CRD4, including IFRS9 transitional arrangements

[2] Calculated in accordance with Regulation (EU) 2019/876, without opting for the temporary exclusion related to deposits with Eurosystem central banks authorised by the ECB decision of 18 June 2021

SECOND QUARTER 2022 RESULTS

29 July 2022

BNP PARIBAS

The bank for a changing world

Disclaimer

The figures included in this presentation are unaudited.

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Unless otherwise mentioned, the financial information and items contained in this announcement include the activity related to BancWest reflecting an operational view. Such financial information and items therefore do not reflect the effects produced by applying IFRS 5, which pertains to non-current assets and liabilities held for sale. The press release pertaining to the 2Q22 and 1H22 results includes in appendix a reconciliation between the operational view presented without applying IFRS 5 and the consolidated financial statements based on an application of IFRS 5.

2Q22: Strong growth in results and positive jaws effect

A solid trajectory
Growth in revenues, positive jaws effect and prudent risk profile

Strong growth in revenues, supported by all divisions

- Very strong increase in **Corporate & Institutional Banking** (+10.6%)
- Very solid growth in **Commercial, Personal Banking & Services**[1] (+11.1%)
- Rise in **Investment & Protection Services** (+2.2%)

Strong operational performance and positive jaws effect (+0.9 pt)
Supporting business growth
~35% of the increase in operating expenses due to scope and exchange rates effects

Prudent risk profile, proactive and long-term management reflected in low cost of risk
Ex-ante provisioning of expected losses (stages 1 and 2) related to the macroeconomic and geopolitical situation

Strong increase in net income[6]
(+18.5% vs. 2Q21 when excluding exceptional items[2])

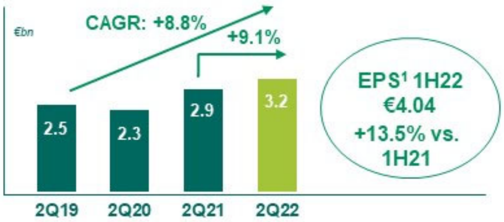
Robust balance sheet
Increase in profitability (ROTE[3]: 12.4%)

Revenues +8.5% vs. 2Q21
Operating expenses +7.6% vs. 2Q21
GOI[4] €5,062m (+9.9% vs. 2Q21)
Cost of risk: 33 bps[5] €789m (-3.0% vs. 2Q21)
Net income[6] €3,177m (+9.1% vs. 2Q21)
CET1 ratio: 12.2%[7]

1. Including 100% of Private Banking in Commercial & Personal Banking (including PEL/CEL effects in France); 2. See slide 9; 3. Return on tangible equity non revaluated; see detailed calculation on slide 84; 4. Gross Operating Income; 5. Cost of risk / customer loans outstanding at the beginning of the period; 6. Group share; 7. See slide 16

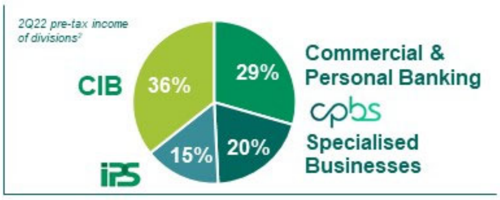
A solid, diversified and integrated model generating growth higher than its underlying economy

Strong growth in results



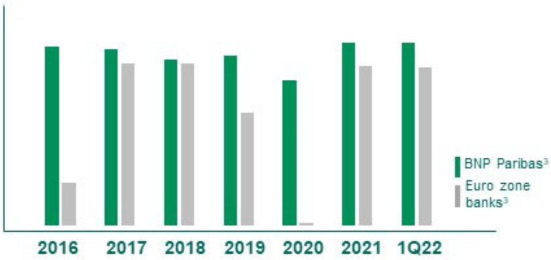
EPS[1] 1H22
€4.04
+13.5% vs. 1H21

Balanced distribution of pre-tax income



Higher profitability with strengthened franchises

Resilience and growth in ROTE above average[3]



1. EPS: Earnings per share, see slide 82; ROTE: Return on tangible equity, see detailed calculation on slide 84;
2. As a % of pre-tax income of operating divisions; 3. Sources: Bloomberg, BBVA, Crédit Agricole SA, Deutsche Bank, ING, Intesa SP, Santander, Société Générale, UniCredit

A proven growth potential

- **Business momentum driven by the diversification of business lines, favourable positioning, and a complete offering**

Loans	Deposits
€852bn +8.1% vs. 2Q21	€843bn +7.3% vs. 2Q21

#1 Eurozone Private Bank[1]
#1 in Corporate Banking in Europe[1]
3rd CIB in EMEA[1], 1st European CIB
Leader in flow businesses in Europe[1]

- **Additional growth potential as early as 2022**

+€900m in recurring annual revenues[2] generated by strategic developments already crystallised (Equities, Buy Now Pay Later, etc.)

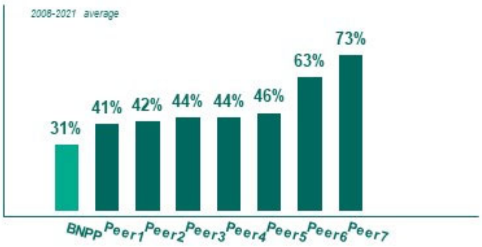
~€11bn (170 bps) of CET1 released by the sale of Bank of the West with a gradual and disciplined redeployment[3]

Disciplined growth along with the objective of a positive jaws effect every year and in all divisions

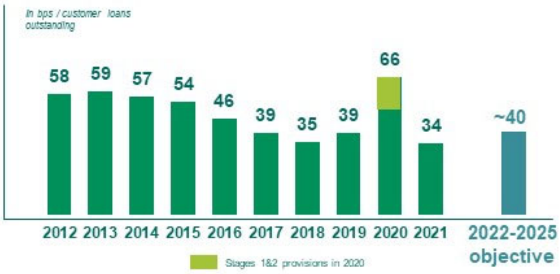
1. Sources: Private Banking AuM as published by peers, Greenwich share leaders 2021, Coalition Greenwich Competitor Analytics in 1Q22 (Ranking includes the banks of the Coalition Index), EMEA: Europe, Middle East and Africa; 2. Reminder: 2022 cumulative full-year objectives of new businesses integrated in 2021 and beginning of 2022; 3. Upon customary conditions precedents; preliminary estimates; see press release of 20.12.21

Long-term, prudent and proactive risk management constantly improving

- **Prudent approach: CoR/GOI ratio among the best in Europe[1]**



- **Constant improvement in cost of risk**



- **Ex-ante provisioning (stages 1 & 2) of +€511m in 2Q22 of expected losses**
  in relation to the indirect effects of the invasion of Ukraine, and higher inflation and interest rates
- **Release of provisions from the public health crisis (-€187m au 2Q22)**
  Reminder: €1.4bn in ex-ante provisions of expected losses (stages 1 & 2) in 2020 in relation to the public health crisis

1. Sources: publications of euro zone banks: BBVA, Crédit Agricole SA, Deutsche Bank, Intesa SP, Santander, Société Générale, UniCredit

Distribution policy

A 10 pts increase in the pay-out ratio with the « GTS 2025 » strategic plan

Starting from the year 2021

An ordinary pay-out ratio of 60%[1]

- o/w pay-out ratio in the form of a cash dividend: 50% to 60%
- o/w pay-out ratio in the form of share buybacks: 0% to 10%

+

Sale of Bank of the West: extraordinary distribution of ~€4bn
in the form of **share buybacks** to neutralize the expected dilution[2]

1. Distribution in the form of a cash dividend (subject to General Meeting approval) and share buyback programs; ratio calculated on the basis of net income excluding the contribution of Bank of the West and the capital gain on the sale (see slide 86); 2. Upon customary conditions precedents; preliminary estimates: see press release of 20 December 2021

BNP PARIBAS

GROUP RESULTS

DIVISION RESULTS

CONCLUSION

1H22 & 2Q22 DETAILED RESULTS

APPENDICES

2Q22 – Main exceptional items

Negative total exceptional items this quarter

	2Q22	2Q21
Exceptional items		
Operating expenses		
• Restructuring costs[1] and adaptation costs[2] *(Corporate Centre)*	-€28m	-€24m
• IT reinforcement costs *(Corporate Centre)*	-€82m	-€47m
Total exceptional operating expenses	***-€110m***	***-€71m***
Other non-operating items		
• Capital gain on the sale of Allfunds shares[3] *(Corporate Centre)*		+€300m
Total exceptional other non-operating items		***+€300m***
Total exceptional items (pre-tax)	**-€110m**	**+€229m**
Total exceptional items (after tax)[4]	**-€81m**	**+€162m**
Impact on 2Q22 pre-tax income of the effects induced by the hyperinflation situation in Turkey on 1H22[5] (details on slide 64)	**+€10m**	**NA**

1. Related in particular to the discontinuation or restructuring of certain businesses (in particular at CIB); 2. Related in particular to CIB, CPB and Wealth Management; 3. Disposal of 6.7% stake in Allfunds; 4. Group share; 5. Application of IAS 29 standards "Financial Reporting in Hyperinflationary Economies" and efficiency of the hedging with CPI linkers taken into account and now recognized in "Other non-Operating items"

2Q22 – Consolidated Group

Solid growth and positive jaws effect

	2Q22	2Q21	2Q22 vs. 2Q21	2Q22 vs. 2Q21 At constant scope & exchange rates
Revenues	**€12,781m**	**€11,776m**	**+8.5%**	**+6.5%**
Operating expenses	-€7,719m	-€7,172m	+7.6%	+4.9%
Gross operating income	**€5,062m**	**€4,604m**	**+9.9%**	**+8.9%**
Cost of risk	-€789m	-€813m	-3.0%	-7.3%
Operating income	**€4,273m**	**€3,791m**	**+12.7%**	**+12.3%**
Non-operating items	€229m	€403m	-43.2%	+126.9%
Pre-tax income	**€4,502m**	**€4,194m**	**+7.4%**	**+14.6%**
Net income, Group share	**€3,177m**	**€2,911m**	**+9.1%**	
Net income, Group share excluding exceptional items[1]	**€3,258m**	**€2,748m**	**+18.5%**	

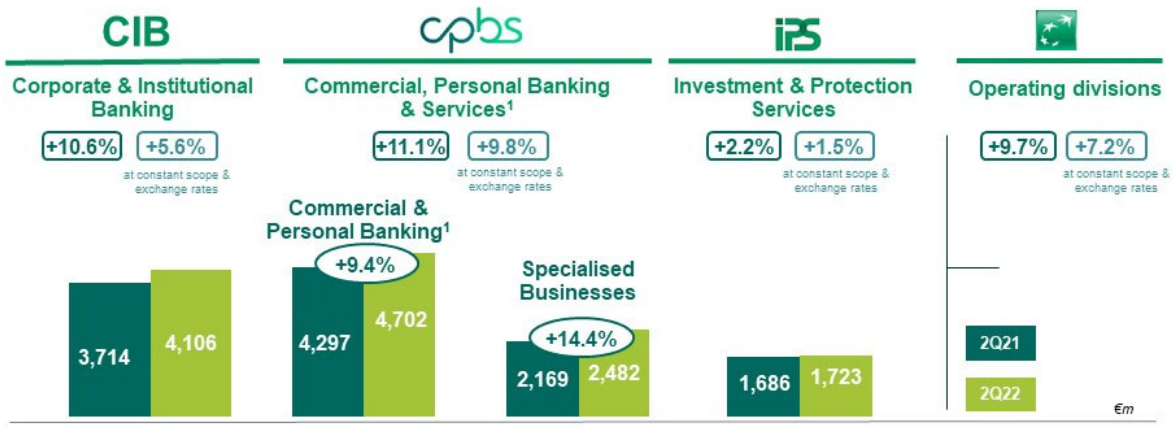
Return on tangible equity (ROTE)[2]: 12.4%

Earnings Per Share (EPS)[3]: €4.04 +13.5% vs. 1H21

1. See slide 9; 2. Not revaluated, see detailed calculation on slide 82; 3. See detailed calculation on slide 84

2Q22 – Revenues

Very solid growth driven by a diversified model

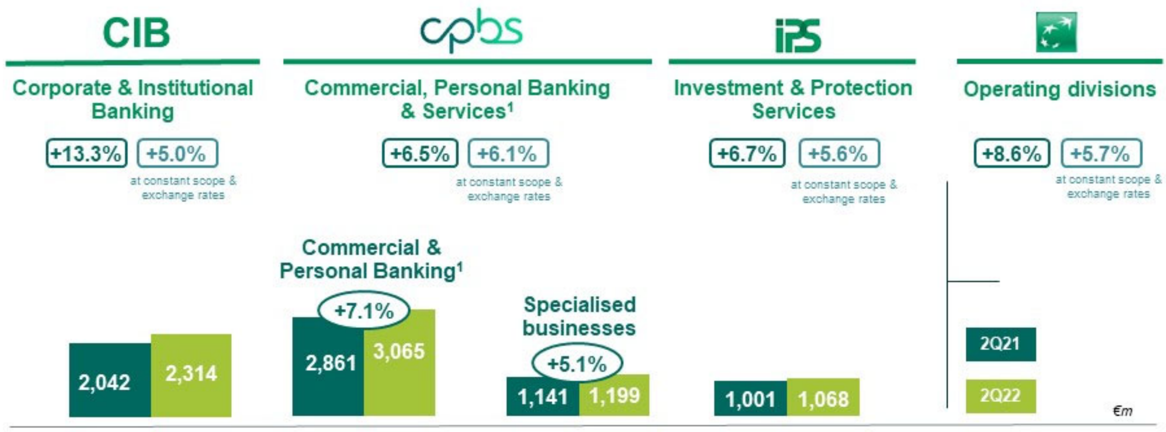


- **CIB:** very strong increase in revenues, with growth in all three divisions, driven by a crystallisation of market share gains & acceleration with strategic developments finalised in 2021 and 2022 (Equities, strategic mandates at BNPP Securities Services)
- **CPBS:** very strong growth in Commercial & Personal Banking, with the ongoing improvement in fees and in the net interest margin, and a very strong increase in revenues at Specialised Businesses
- **IPS:** revenue growth in a challenging market; good growth in Private Banking, Insurance and Real Estate offsetting the market performance impact on Asset Management

1. Including 100% of Private Banking in Commercial & Personal Banking (including PEL/CEL effects in France)

2Q22 – Operating expenses

Positive jaws effect in operating divisions (+0.9 pt)



- **CIB:** accompanying business growth and impact of change in scope – positive jaws effect (+0.6 pt at constant scope and exchange rates)
- **CPBS:** increase in operating expenses with the growth in business activity and scope impacts in Commercial & Personal Banking and Specialised Businesses – a very positive jaws effect (+4.5 pts)
- **IPS:** increase in operating expenses supporting business development and targeted initiatives

1. Including 100% of Private Banking in Commercial & Personal Banking

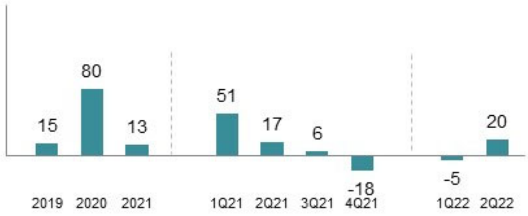
Cost of risk (1/3)

Cost of risk / Customer loans outstanding at the beginning of the period (in annualised bps)

Group

- Cost of risk: €789m (+€333m vs. 1Q22; -€24m vs. 2Q21)
- Cost of risk at a low level
- Provisions on non-performing loans (stages 3) low - Provisions on performing loans[1] in 2Q22
- 1Q22 reminder: release of provisions on performing loans[1] mainly at BancWest

CIB – Global Banking



- Cost of risk: €85m (+€105m vs. 1Q22; +€21m vs. 2Q21)
- Cost of risk at a low level
- 1Q22 reminder: release of provisions on performing loans[1]

1. Stages 1 & 2

Cost of risk (2/3)

Cost of risk / Customer loans outstanding at the beginning of the period (in annualised bps)

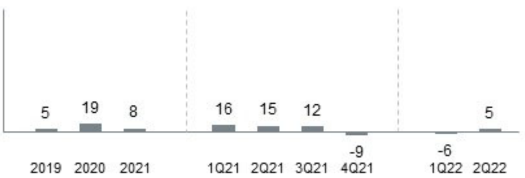
CPBF[1]

- Cost of risk: €64m (-€29m vs. 1Q22; -€37m vs. 2Q21)
- Cost of risk at a very low level

BNL bc[1]

- Cost of risk: €110m (-€18m vs. 1Q22; +€5m vs. 2Q21)
- Cost of risk low and decrease in provisions on non-performing loans (stage 3)

CPBB[1]



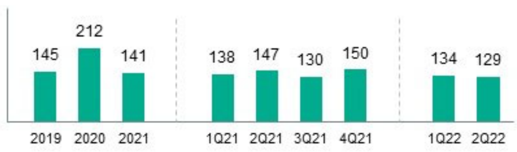
- Cost of risk: €16m (+€34m vs. 1Q22; -€28m vs. 2Q21)
- Cost of risk at a very low level

1. Including 100% of Private Banking

Cost of risk (3/3)

Cost of risk / Customer loans outstanding at the beginning of the period (in annualised bps)

Personal Finance

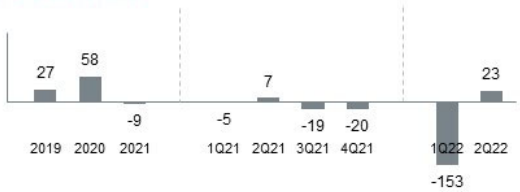


- Cost of risk: €309m (-€6m vs. 1Q22; -€35m vs. 2Q21)
- Cost of risk at a low level
- Provisions on performing loans[2] due mainly to the expected impact of higher inflation (+€137m) offset by releases of provisions related to the public health crisis[2] (-€159m)

Europe-Mediterranean[1]

- Cost of risk: €48m (+€9m vs. 1Q22; -€10m vs. 2Q21)
- Cost of risk low despite provisions on performing loans[2] related to the macroeconomic and geopolitical situation (+€83m) partially offset by releases on performing loans[2]

BancWest[1]



- Cost of risk: €30m (+€223m vs. 1Q22; +€21m vs. 2Q21)
- Cost of risk at a low level
- 1Q22 reminder: significant releases of provisions[2] related to the public health crisis

1. Including 100% of Private Banking; 2. Stages 1 & 2

A very solid financial structure

CET1 ratio: 12.2%[1] as at 30.06.22

- 2Q22 results, after taking into account a 60% pay-out ratio net of organic growth in risk-weighted assets: +0 bp
- Impact on Other Comprehensive Income (OCI) of market prices as at 30.06.22 and effect of the increased volatility on Prudent Value Adjustment (PVA): -20 bps (-30 bps since 31.12.21)
- Overall limited impact of other effects on the ratio

CET1 Ratio

Leverage ratio[2]: 3.8% as at 30.06.22

Immediately available liquidity reserve: €450bn[3]

(€468bn as at 31.03.22): Room to manoeuvre > 1 year in terms of wholesale funding

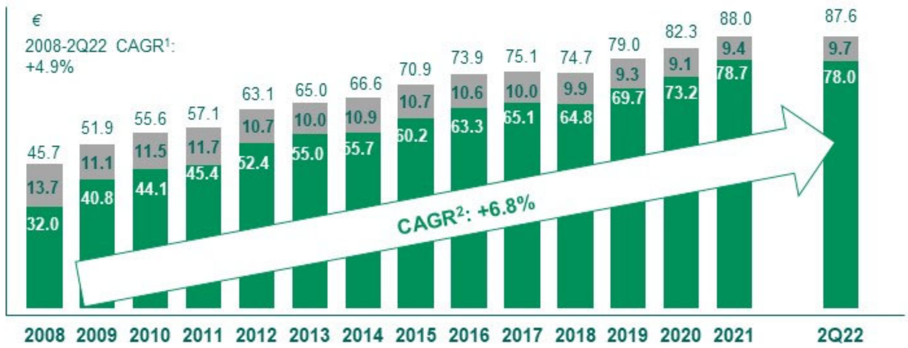
Liquidity Coverage Ratio: 134% as at 30.06.22

Liquidity reserve (€bn)[3]

1. CRD4; including IFRS9 transitional arrangements IFRS9; see slide 86;
2. Calculated in accordance with Regulation (EU) 2019/876, without opting for the temporary exclusion related to deposits with Eurosystem central banks authorised by the ECB decision of 18 June 2021;
3. Liquid market assets or eligible assets in central banks (counterbalancing capacity), taking into account prudential standards, notably US standards, minus intra-day payment system needs

Continuous and strong value creation throughout the cycle

Steady increase in tangible equity per share: €78.0
+€1.7 (+2.2%) vs. 30.06.21



■ Net tangible book value per share

Reminder: impact on Other Comprehensive Income (OCI) of market prices as at 30.06.22

1. Of net book value per share; 2. Of net tangible book value per share for the 2008-2Q22 period

An ambitious policy of engaging with society
Engaging with clients to support them in their transition

A Group-wide approach organised around three major objectives, reaffirmed with the GTS 2025 plan

Engaging with clients in the transition towards a sustainable economy	Strengthening steering tools, processes and governance	Aligning our loan portfolios with our carbon neutrality commitment

Scaling up our engagements

Sustainable Savings, Investments and Financing

- **Top 2 worldwide in sustainable bond issuance, with $18.4bn in 1H22**[1]
- **First bond fund on sustainable cities in Asia** at BNP Paribas Asset Management (SFDR Art. 9)
- BNP Paribas arranger of the **first Sustainability-Linked Loan in the APAC sustainable construction materials sector for Saint-Gobain**

Transition towards carbon neutrality

- **Operating implementation of the Group's net-zero commitment (via NZBA[2]):** objectives for reducing the intensity of financed carbon emissions by 2025 in the three most heavily emitting sectors:
  - Electricity generation: at least -30% vs 2020[3]
  - Oil & gas (upstream production activities & refining): at least -10% vs 2020[4]
  - Automotive (car manufacturer): at least -25% vs 2020[5]

  Additional commitments in oil & gas:
  - 12% reduction in credit exposure for oil & gas production by 2025
  - 25% reduction in credit exposure for upstream oil production activities only by 2025

1. Source: Dealogic as at 30.06.22, bookrunner; 2. Net-Zero Banking Alliance; 3. Emission intensity in gCO_2 / kWh; 4. Emission intensity in gCO_2 e/MJ; 5. Emission intensity in gCO_2 / km WLTP

An ambitious policy of engaging with society
Mobilising the specific model around priority areas

Transition towards carbon neutrality	▪ **A new lease with a purchase option offering** by BNP Paribas Personal Finance to provide lower-income households with access to a more sustainable car (Crit'Air 0 or 1 vehicle) ▪ **A new personal energy renovation loan at an advantageous rate** offered by BGL BNP Paribas
Natural capital & Biodiversity	▪ **First measure of the biodiversity footprint of the BNP Paribas Asset Management investment portfolio** with a methodology drawn up in partnership with Iceberg Data and I Care & Consult ▪ **Participation in the second version of the TNFD's risk management and reporting framework**, dealing with measurement tools
Circular economy	▪ **BNP Paribas, co-bookrunner & ESG co-structurer** for a EU-taxonomy-compliant green bond for **Hera** (projects involving wastewater collection & treatment, solid waste management, biowaste composting, etc.) ▪ **BNP Paribas, bookrunner for the first green bond for Jabil** (a designer and manufacturer of electronic circuits): support towards a more circular model
Social inclusion	▪ **First social performance report** on the Group's commitment to financial inclusion: in 32 years, almost **€1.2bn** in cumulative loans granted to **2.9m beneficiaries worldwide** ▪ **Sole investor in the first Development Impact Contract sponsored by the French government,** supporting a CARE-sponsored programme in Ethiopia to improve access to education and greater autonomy for women by combatting menstrual precariousness ▪ **3-year anniversary of L'Ascenseur: 400,000 young people are helped in France** by this equal opportunity organisation

A reinforced Internal Control Set-up

- **An even more solid control and compliance set-up and ongoing efforts in inserting a reinforced compliance culture into daily operations**
  - **Ongoing improvement of the operating model for combating money laundering and terrorism financing:**
    - A standards-based, risk-adjusted approach, with a risk management set-up shared between business lines and Compliance officers (know-your-client, reviewing unusual transactions, etc.)
    - Reinforced Group-level steering with regular reporting to monitoring and supervisory bodies
  - **Ongoing reinforcement of set-up for complying with international financial sanctions:**
    - Rigorous and diligent implementation of measures necessary to the enforcement of international sanctions as soon as they are released
    - Broad dissemination of the procedures and intense centralisation, guaranteeing effective and consistent coverage of the surveillance perimeter
    - Continuous optimisation of cross-border transaction filtering tools and screening of relationship databases
  - **Ongoing improvement of the anti-corruption framework with increased integration into the Group's operational processes**
  - **Intensified on-line training programme:** compulsory programmes on financial security for all employees (Sanctions & Embargos, Combatting Money Laundering & Terrorism Financing), on combatting corruption, and on professional ethics for all new employees
  - **Ongoing missions of the General Inspection dedicated to insuring financial security within entities generating USD flows.** These successive missions have been conducted since the start of 2015 in the form of 18-month cycles. The first four cycles achieved a steady improvement in processing and audit mechanisms. The fifth cycle was begun last year and is proceeding at a good pace despite public health constraints. It confirms the previous trends and is expected to be completed by the end of July 2022
- **The remediation plan agreed as part of the June 2014 comprehensive settlement with the US authorities is now mostly completed**

GROUP RESULTS

DIVISION RESULTS

CONCLUSION

1H22 & 2Q22 DETAILED RESULTS

APPENDICES

Corporate & Institutional Banking – 2Q22

Very good results sustained by the expanded set-up

- **Good business drive, leveraging a diversified and integrated model…**
  - **Financing:** good performance amid decreasing primary markets (syndicated loans, bonds and equities)
  - **Markets:** continued strong client demand on rates, forex and commodity derivatives markets observed in 1Q22; good level in equities
  - **Securities Services:** strong business drive and high level of transactions
- **…with strengthened capabilities to support clients**
  - Positions consolidated in EMEA[1], building on the continuous roll-out of platforms and strategic build-ups completed in 2021 and 2022
  - Continued good development of business in Asia-Pacific and the Americas

- **Growth in CIB revenues (1Q19-2Q22)**

- **Acknowledged leading positions**

EUROMONEY AWARDS FOR EXCELLENCE 2022 GLOBAL BEST BANK FOR CORPORATES

EUROMONEY AWARDS FOR EXCELLENCE 2022 GLOBAL BEST BANK FOR MARKETS

Revenues: €4,106m (+10.6% vs. 2Q21)

- +5.6% at constant scope and exchange rates
- Increase in all three business lines
- Very good performance at Global Banking in an unfavourable context (+0.8%)
- Very strong rise at Global Markets (+15.3%)
- Very strong increase at Securities Services (+16.0%)

Operating expenses: €2,314m (+13.3% vs. 2Q21)

- +5.0% at constant scope and exchange rates and positive jaws effect (+0.6 pt)
- Increase driven by strong activity and strategic build-ups

Pre-tax income: €1,724m (+5.3% vs. 2Q21)

- GOI[2] up by a strong +7.2% vs. 2Q21
- Cost of risk at a low level

1. EMEA: Europe, Middle East and Africa; 2. Gross operating income

CIB – Global Banking – 2Q22
Good business drive

Good level of activity in an unfavourable context

- **Financing raised for clients** worldwide on the syndicated loan, bond and equity markets down by 34%[1] vs. 2Q21, with a rebound in syndicated loan volumes[1] in 2Q22 vs. 1Q22 worldwide
- Strong growth in **cash management** and **trade finance** in all three regions
- **Loans** (€176bn, +9.8% vs. 2Q21[2]): continued growth (+2.8% vs. 1Q22[2])
- **Deposits** (€198bn, +2.3% vs. 2Q21[2]): ongoing growth (+1.9% vs. 1Q22[2])

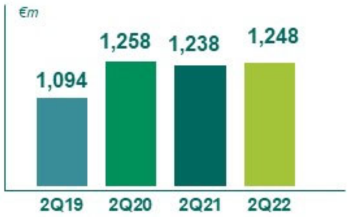
Continued market share gains

- Leader in EMEA financing (#1 in bond issuances[3] and syndicated loans[3])
- Prudent management and further market share gains in financing[4] in 1H22 vs. 1H21 in EMEA, as well as worldwide

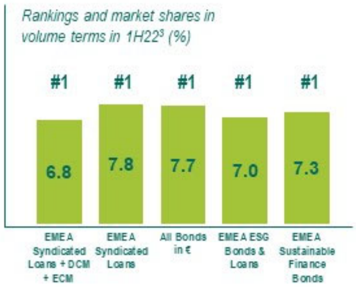
Revenues: €1,248m (+0.8% vs. 2Q21)

- -4.0% at constant scope and exchange rates
- Resilient performance by Capital Markets in EMEA (-25.5%) on a very unfavourable market, with continued market share gains
- Sharp increase in trade finance and cash management (+22.4%)
- Strong growth in the Asia-Pacific region
- Higher M&A revenues in EMEA in a decreasing market

Revenues sustained at a high level in a receding market



Acknowledged European leader



1. Source: Dealogic as at 30.06.22; 2. Average outstandings, change at constant scope and exchange rates; 3. Bookrunner market share in volume in 1H22; source: Dealogic as at 30.06.22; 4. Bookrunner market share in volume on the syndicated loan, bond and equity markets; source: Dealogic

CIB – Global Markets – 2Q22
Strong increase in revenues sustained by the new dimension to the set-up

Very robust client activity on the whole

- **Fixed income, currencies & commodities:** continued very strong client demand, driven in particular by reallocation and hedging needs in rates and forex, emerging markets and commodity derivatives products
- **Equity markets:** good momentum in derivatives this quarter; a good level of activity in prime services and cash equities, despite a less active primary market
- **Primary markets:** #1 in euro-denominated bond issuances led globally in a decreasing market[1]

Ongoing development of electronic platforms

- Consolidated leadership as at 30.06.22
- Cortex FX[2] named best electronic FX platform at the *Financial News Trading and Technology Awards 2022*

Revenues: €2,196m (+15.3% vs. 2Q21)

- +9.5% at constant scope and exchange rates
- FICC (+14.8%): very good performance in fixed income, currencies and commodity derivatives; context less favourable on primary and credit markets
- Equity & Prime Services (+16.1%): very good level of activity, particularly in equity derivatives; contribution of ~€70m from BNP Paribas Exane and good contribution from prime services

Strong increase in revenues

Ranking on multi-dealer electronic platforms

Forex market:	#1 on global volumes[3]
Rates market:	#1 on € Swaps[3] #1 on € Government bonds[4]
Credit market:	#1 on € Bonds[5]
Equity derivatives:	#1 on listed warrants and securities in Europe[6]

1. Source: Dealogic as at 30.06.22; bookrunner in volume; 2. BNP Paribas electronic platform for forex transactions; 3. Source: Bloomberg as of 1H22; 4. Sources: Bloomberg and Trade Web as at 1H22; 5. Source: Bloomberg as at 2Q22; 6. In market share in 1H22; source: aggregate volumes (i) reported by exchanges and (ii) traded on OTC platforms

CIB – Securities Services – 2Q22

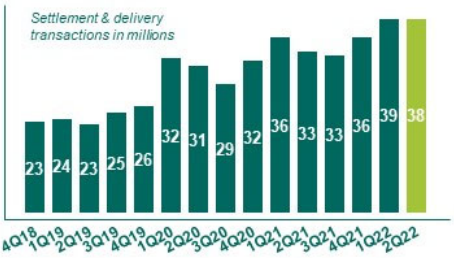
Very strong increase in revenues

- **Very good business drive**
  - Sustained sales & marketing development, in particular in the target sector of private capital
  - Very significant increase in transaction volumes: +15.1% vs. 2Q21
- **Very good resiliency of assets**
  - Average assets down slightly by 1.4% vs. 2Q21
  - Roll-out of major new mandates in 2021 and 2022
  - Decrease in assets late in the period (-6.8% vs. 30.06.21) due to the negative impact of market declines
- **Innovation and transformation of the operating model**
  - Minority investment in *Proxymity*, a digital, real-time communications platform for connecting issuers and investors

Revenues: €663m
(+16.0% vs. 2Q21)

- +13.6% at constant scope and exchange rates
- Driven in particular by the very sharp increase in transaction fees and the impact of the interest-rate environment

Transaction volumes



Assets under custody (AuC) **and under administration** (AuA)

Commercial, Personal Banking & Services – 2Q22

Strong growth in result and very positive jaws effect

- **Very good performance in Commercial & Personal Banking**
  - **Sustained rise in pre-tax income of Commercial & Personal Banking in the Euro zone** (+25.5%[1] vs. 2Q21): higher net interest income (+8.0%[2]) and fees (+6.0%[2]) and, very positive jaws effect (+2.8 pts[2])
  - **Very strong increase in pre-tax income at Europe-Mediterranean** (x2.1[3] vs. 2Q21): steep increase in net interest income (+57.6%[4]) and fees (+27.8%[4]), very positive jaws effect and stable cost of risk
  - **Transformation of the operating model**: ongoing outsourcing of certain activities at BNL - KYC data management platform pooled between several financial institutions operational in Luxembourg
- **Further strong growth at Specialised Businesses**
  - Ongoing very strong increase in revenues at **Arval**, steep rise at **Leasing Solutions** and good growth at **Personal Finance**
  - Record-setting account openings at **Nickel** in France and Spain (~50,000 per month[5]) and strong growth in production at **Floa** (+17.7 % vs. 2Q21)

Loans

Deposits

Revenues[2]: €7,184m (+11.1% vs. 2Q21)	Operating expenses[2]: €4,263m (+6.5% vs. 2Q21)	Pre-tax income[1]: €2,378m (+34.9% vs. 2Q21)
• Very good performance at Commercial & Personal Banking (+9.4%) • Strong growth at Specialised Businesses (+14.4%; +11.2% at constant scope and exchange rates)	• Support for business development • Very positive jaws effect (+4.5 pts)	• Strong growth in GOI[2] (+18.5%) and lower cost of risk[2] (-7.1%) • Overall impact of the hyperinflation situation in Turkey positive and limited (+€23m)[6]

1 Including 2/3 of Private Banking including PEL/CEL effects; 2. Including 100% of Private Banking including PEL/CEL effects; 3. At constant scope & exchange rates and including 2/3 of Private Banking; 4. At constant scope & exchange rates and including 100% of Private Banking; 5. On average in 2Q22 in France and Spain; 6. Including 100% of Private Banking – see slide 64

CPBS – Commercial & Personal Banking in France – 2Q22

Very strong increase in results – Growth in all client segments

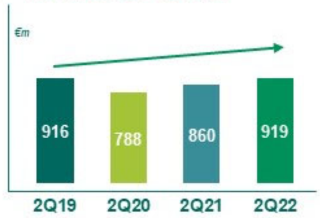
Good business drive

- **Loans:** +4.5% vs. 2Q21, good increase in investment loans to corporates, as well as mortgage loans and consumer loans
- **Deposits:** +5.7% vs. 2Q21, increase in deposits across all customer segments
- **Off-balance sheet savings:** -3.0% vs. 30.06.21, increase in gross life insurance inflows (+3.4% vs. 2T21) – unfavourable market context
- **Private banking:** very strong net asset inflows (€2.2bn), driven mainly by acquisition of clients and by extension of relationships with entrepreneurs
- **Hello bank!:** further increase in number of customers (>725k, + 12% vs. 30.06.21)

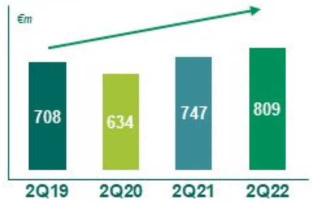
Strong growth in fees

- **Higher financial fees** (+5.2% vs. 2Q21)
- **Steep increase in banking fees** (+9.8% vs. 2Q21) including a steady increase in cash management and payment means fees (+11.9% vs. 2Q21)

Net interest income



Fees



Revenues[1]: €1,728m (+7.6% vs. 2Q21)

- Net interest income: +6.9%, strong growth driven by the increase in lending activity and the impact of the interest-rate and market environments
- Fees: +8.3%, with a marked increase across all customer segments

Operating expenses[1]: €1,117m (+3.9% vs. 2Q21)

- Contained increase driven by growth in business activity
- Very positive jaws effect (+3.6 pts)

Pre-tax income[2]: €531m (+33.2% vs. 2Q21)

- Very low cost of risk

1. Including 100% of Private Banking in France including PEL/CEL effects (+€14m in 2Q22, +€19m in 2Q21); 2. Including 2/3 of Private Banking in France, including PEL/CEL effects

CPBS – BNL banca commerciale – 2Q22

Strong increase in results and very positive jaws effect

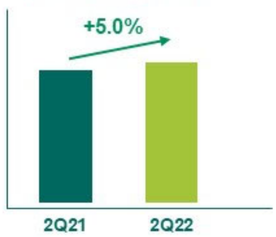
Growth in business activity

- **Loans:** +2.6% vs. 2Q21, +5.0% rise on the perimeter excluding non-performing loans, good increase in mortgage and corporate loans
- **Deposits:** +11.3% vs. 2Q21, steep increase in all customer segments
- **Off-balance sheet savings:** -2.7% vs. 30.06.21; good momentum in life insurance outstandings (+4.0% vs. 30.06.21) – unfavourable market context

Ongoing transformation in the operating model

- Certain back office activities outsourced in 2Q22 after some IT activities in 1Q22
- Acceleration in the digital transformation and enhanced quality of service
- Cost variability (total transfer of 737 FTEs)

Loans (excluding non performing loans)



GOI[1]

Revenues[1]: €671m (+0.3% vs. 2Q21)

- +1.8% at constant scope[2]
- Net interest income: +0.1%, quasi-stable despite an increase in loan volumes
- Fees: +0.6% (+4.2% at constant scope[2]); increase in banking fees in particular in corporate clients (+14.2%)

Operating expenses[1]: €416m (-4.2% vs. 2Q21)

- -2.2% at constant scope[2]
- Very positive jaws effect (+4.5 pts)
- Impact of the transformation of the operating model and adaptation measures (*"Quota 100"* retirement plan)

Pre-tax income[3]: €139m (+15.8% vs. 2Q21)

1. Including 100% of Italian Private Banking – GOI: Gross Operating Income; 2. Business divestment effective on 02.01.22; 3. Including 2/3 of Italian Private Banking

CPBS – Commercial & Personal Banking in Belgium – 2Q22

A very steep rise in results

Good business drive

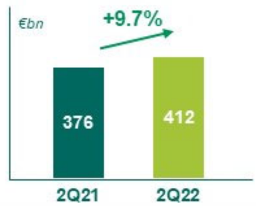
- **Loans[1]:** +15.4% vs. 2Q21 (+8.1% at constant scope and exchange rates[2]); strong growth in corporate loans and increase in individual loans, mortgage loans in particular
- **Deposits[1]:** +8.7% vs. 2Q21 (+0.8% at constant scope and exchange rates[2]); increase in the individual customer segment
- **Off-balance sheet savings:** -3.1% vs. 30.06.21, driven by market performances
- **Private banking:** good net asset inflows of €0.6bn

Very good momentum in the corporate segment

- Strong support for the Belgian economy, with loans outstanding +12.7% vs. 2Q21 and a very strong factoring activity (+31.3%)
- Sharp increase in fees (+12.8% vs. 2Q21), in particular related to client hedging needs, trade finance and cash management activities

Loans[1]

Strong increase in GOI[3]



Revenues[3]: €965m (+11.8% vs. 2Q21)

- +6.6% at constant scope and exchange rates[2]
- Net interest income: +14.9%, increase driven by higher loan volumes and the contribution of specialised subsidiaries
- Fees: +5.0%, increase sustained by banking fees across all customer segments

Operating expenses[3]: €554m (+13.4% vs. 2Q21)

- Very positive jaws effect (+2.5 pts) at constant scope and exchange rates[2] and excluding taxes subject to IFRIC 21 in 2Q21
- Support for business development
- Impact of cost-savings and optimisation measures

Pre-tax income[4]: €379m (+20.4%)

- Decrease in the cost of risk at a very low level

1. See slide 59; 2. Consolidation of bpost bank since 01.01.2022; 3. Including 100% of Private Banking in Belgium – GOI: Gross Operating Income; 4. Including 2/3 of Private Banking in Belgium

CPBS – Europe Mediterranean – 2Q22

Very good commercial momentum and strong increase in results

Significant increase in business activity

- **Loans:** +21.8%[1] vs. 2Q21, continued strong increase in volumes in Poland and Turkey across all customer segments, with a more marked increase in the corporate segment
- **Deposits**: +22.2%[1] vs. 2Q21, up in Poland and Turkey
- Further increase in **fees** in all segments

Implementation of IAS 29 in Turkey and efficiency of the hedging taken into account[2]

- Initial implementation of IAS 29: "*Financial Reporting in Hyperinflationary Economies*", effective 01/01/2022
- Overall limited impact of the effects induced by the hyperinflation situation in Turkey on pre-tax income in 2Q22: -€12m[2]
- Impacts on 1H22 recognized in 2Q22

Loans[1]

Fees trend

Revenues[3]: €566m (+50.7%[1] vs. 2Q21)

- Strong increase in net interest income[1]
- Continued strong growth in fees (+27.8%[1] vs. 2Q21)
- Impact of the hyperinflation situation in Turkey (+€35m)[2]

Operating expenses[3]: €418m (+30.0%[1] vs. 2Q21)

- Increase driven particularly by inflation and a temporary increase in contributions[4]
- Very positive jaws effect (+20.7 pts[1])

Pre-tax income[5]: €200m (+114.3%[1] vs. 2Q21)

- Good contribution by associates
- Impact of the hyperinflation situation in Turkey on "Other non operating items" (-€31m)[2]

1. At constant scope and exchange rates; 2. See slide 64 for details - Including 100% of Private Banking; 3. Including 100% of Private Banking in Turkey and Poland; 4. In anticipation of future contributions; 5. Including 2/3 of Private Banking in Turkey and Poland

CPBS – BancWest – 2Q22

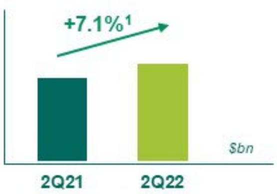
Sustained business activity

Continued good business drive

- **Very good loan production** (+7.1%[1] vs. 2Q21): strong increase in corporate loans (+20.7%[1]) and high level of mortgage loan production
- **Loans:** -0.7%[2] vs. 2Q21, decrease due to the end of Paycheck Protection Program (PPP) loans and the discontinuation of a business in 2020
- **Deposits:** -5.5%[2] vs. 2Q21, decrease in customer deposits[3] (-5.0%[2]), decrease notably linked to money-market deposits
- **Private Banking**: $18.5bn in assets under management as at 30.06.22 (+2.0%[2] vs. 30.06.21)

Reminder: announcement on 20 December 2021 of the sale of Bank of the West to BMO Financial Group (closing of the transaction expected late 2022)[4]

Loan production



Assets under management Private Banking

Revenues[5]: €657m (-1.1%[2] vs. 2Q21)	Operating expenses[5]: €495m (+8.3%[2] vs. 2Q21)	Pre-tax income[6]: €123m (-36.9%[2] vs. 2Q21)
• Decrease driven mainly by the effect on loan volumes of the end of PPP loans and the discontinuation of a business in 2020	• Increase in connection with targeted projects	• Impact of the normalisation of the cost of risk

1. At constant scope and exchange rates excluding Paycheck Protection Program loans; 2. At constant scope and exchange rates; 3. Deposits excluding treasury activities; 4. Upon customary condition precedents; see press release of 20 December 2021; 5. Including 100% of Private Banking in the United States; 6. Including 2/3 of Private Banking in the United States

CPBS – Specialised Businesses – Personal Finance – 2Q22

Increase in results, positive jaws effect, and low cost of risk

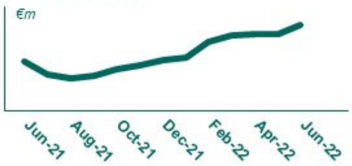
Growth in loans outstanding and good level of production

- **Loans outstanding:** +2.7%[1] vs. 2Q21 and at a higher level than in 2019, consolidation of 50% of Floa's loans outstanding (€1.0bn) [2]
- **Increase in production** (+8.9%[3] vs. 2Q21), particularly, late in the quarter despite a lacklustre environment in the automotive industry

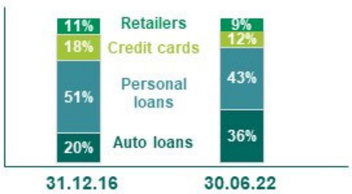
Continuous improvement of the risk profile

- Risk profile benefitting from the evolution of its product and geographical mix
- Efficient management of delinquencies and high performance in debt collection
- €137m ex-ante provision on expected losses (stages 1 & 2) linked mainly to higher inflation, offset by a release of provisions related to the public health crisis (-€159m)

Growth in end-of-period loans outstanding



Change in product portfolio



Revenues: €1,371m (+3.9% vs. 2Q21)	Operating expenses: €718m (+2.6% vs. 2Q21)	Pre-tax income: €358m (+35.3% vs. 2Q21)
• +0.7% at constant scope[2] and exchange rates • Increase driven by stronger volumes and the increase in production	• -0.2% at constant scope[2] and exchange rates • Positive jaws effect (+1.3 pt)	• Increase in GOI[4] (+5.4%) • Overall decline in the cost of risk

1. +1.6% excluding Floa; 2. Consolidation of 50% of Floa's contribution, effective 01.02.22; 3. +5.6% excluding Floa; 4. Gross Operating Income

CPBS – Specialised Businesses – Arval & Leasing Solutions – 2Q22

Very strong performance and positive jaws effect

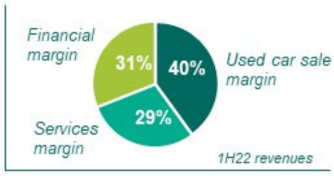
Arval

- **Good organic growth in the financed fleet** (+5.9%[1] vs. 2Q21) and continued very high used car prices
- **Signing of an agreement with BCR (Erste Group)** on the transfer of some of its long-term leasing businesses in Romania (> 3500 vehicles)[2]
- **Expansion of the automotive partnership with MG** to France, after Italy and Germany, with the main focus on electric vehicles
- **Expanded connected services:** launch of the **Arval Connect** solution, to accompany customers in their fleet cost management and contribute to improving drivers' safety

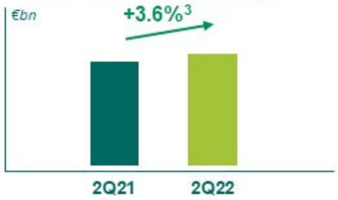
Leasing Solutions

- **Increase in outstandings** (+3.6%[3] vs. 2Q21) and good resistance of **sales & marketing drive**
- **Named "Debut issuer of the year"** at the Global Capital European Securitization Awards in May 2022 for the first public securitisation of professional equipment leases in Europe in late 2021

Arval: a balanced distribution in revenues



Leasing Solutions: further increase in outstandings



Revenues: €895m (+33.6% vs. 2Q21)

- Very good performance at Arval (with very high used car prices) and a good increase at Leasing Solutions with the expansion in outstandings

Operating expenses: €341m (+6.9% vs. 2Q21)

- Growth at marginal cost with the improvement in productivity
- Very positive jaws effect (+26.7 pts)

Pre-tax income: €545m (+72.0% vs. 2Q21)

- Impact of the hyperinflation situation in Turkey (+€40m)[4]

1. Evolution of the average fleet in thousands of vehicles; 2. Subject to customers' approval. Signing on 31 May 2022, with closing expected by the end of 2022; 3. At constant scope and exchange rates; 4. Impact on "Other Non Operating Items" -See details on slide 64

CPBS – Specialised Businesses – 2Q22

New Digital Businesses (Nickel, Floa, Lyf) and Personal Investors

NICKEL, a new-generation payment offering

- Launch of the offering in Belgium and ongoing development in other countries, with a high pace of account openings (almost 50,000 per month[1])
- 2.7m accounts opened[2] as of 30.06.22 (+26.5% vs. 30.06.21), > 7,500 points of sale[2] (+11.9% vs. 30.06.21)

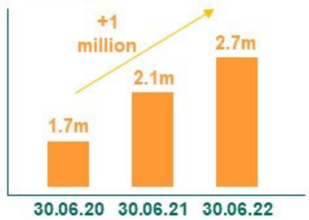
FLOA, the French leader in Buy Now Pay Later

- Ongoing acquisition of new customers: 4.0m as of 30.06.22 (+27.4% vs. 30.06.21)
- Robust growth in production (+17.7% vs. 2Q21)

BNP PARIBAS PERSONAL INVESTORS, a specialist in digital banking and investment services

- Strong increase in number of customers (+6.6% vs. 2Q21)
- Still a high level of order numbers in an unfavourable market context

Nickel: number of accounts opened[2]



Floa: number of customers

Revenues[3]: €217m (+20.0% vs. 2Q21)

- Steep increase in New Digital Businesses, driven by business development
- Personal Investors revenues down slightly[4] in an unfavourable market context
- Reminder: consolidation of 50% of Floa's contribution, effective 01.02.22

Operating expenses[3]: €139m (+14.4% vs. 2Q21)

- Steep increase driven by the development strategy in New Digital Businesses
- Very positive jaws effect (+5.6 pts)

Pre-tax income[5]: €52m (-4.1% vs. 2Q21)

- Effect of the integration of Floa on the cost of risk effective 01.02.22

1. On average in 2Q22 in France and Spain; 2. Since inception in France and Spain; 3. Including 100% of Private Banking in Germany; 4. At constant scope and exchange rates; 5. Including 2/3 of Private Banking in Germany

Investment & Protection Services – 2Q22
Growth of revenues and results in an unfavourable environment

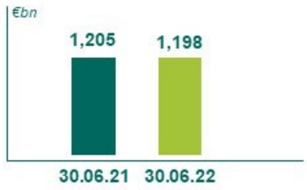
Good business drive

- **Good resiliency in net asset inflows (+€9.0bn in 2Q22):** good net asset inflows in Insurance, very strong net asset inflows in Wealth Management particularly in Germany and France, slightly positive net asset inflows in Asset Management driven by medium- and long-term vehicles
- **Good underlying business** at Insurance and growth in business activity at Real Estate, driven by Advisory

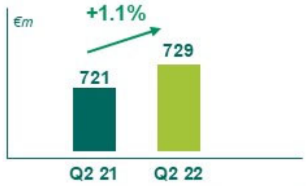
Roll-out of ESG in business lines

- **Leading positions in sustainable finance** at Asset Management: ongoing and gradual increase in the percentage of open-ended funds classified Article 8 or Article 9[2], reaching 86% as at 30.06.22
- **An impact offering** at Wealth Management recognised at the 2022 WealthBriefing "Wealth for Good Awards"
- **Development of the sustainable offering** at Real Estate: winning bid for innovative urban projects launched by the city of Paris[3]

Assets under management[1]



Pre-tax income



Revenues: €1,723m (+2.2% vs. 2Q21)	Operating expenses: €1,068m (+6.7% vs. 2Q21)	Pre-tax income: €729m (+1.1% vs. 2Q21)
• Increased revenues in Insurance • Good growth in revenues at Wealth Management and Real Estate • Impact of the market environment on Asset Management revenues	• Increase driven by business development and targeted initiatives	• Good contribution of associates and capital gains on sale

1. Including distributed assets; 2. Percentage of open funds distributed in Europe classified "Article 8" or "Article 9" (SFDR) as a percentage of assets under management; 3. Sustainable transformation at the headquarters of AP-HP (Paris public hospitals)

IPS – Asset inflows and AuM – 1H22
Unfavourable market trends, good resilience in net asset inflows

Assets under management: €1,198bn as at 30.06.22

- -0.6% vs. 30.06.21
- **Performance effect** very unfavourable due to market trends: -€117.7bn
- **Favourable foreign exchange effect:** +€17.6bn
- **Others:** +€12.0bn, positive scope effect in Asset Management due mainly to the acquisition of Dynamic Credit Group in the Netherlands and a new partnership in India

Change in assets under management[1]

Net asset inflows: +€9.0bn in 1H22

- **Wealth Management:** very good net asset inflows, driven by activity in Europe, in particular in France and Germany
- **Asset Management:** net outflows in the first half, due to strong outflows in money-market funds, partly offset by net inflows in 2Q22 in medium- and long-term vehicles
- **Insurance:** good net inflows, particularly in unit-linked products and continued very good gross inflows, particularly in France

Assets under management[1] as at 30.06.22

1. Including distributed assets; 2. Assets under management of Real Estate Investment Management: €30bn; assets under management of Principal Investments: €1bn

IPS – Insurance – 2Q22

Good business drive

- **Continued business drive**
  - **Good performance in Savings** in both France and internationally, with gross asset inflows up (+6.9% vs. 1H21); unit-linked policies accounting for the vast majority of net asset inflows
  - **Increase in Protection:** further growth in France with a good performance in protection and property & casualty (Cardif IARD); internationally, in Latin America and Asia in particular
- **Continued development of the partnership model**
  - **Expansion of the partnership with Boulanger**, a specialist in household and multimedia equipment, with the launch of an unlimited guarantee extension for equipment
  - **Partnership rolled over with Orange,** a global telecom operator, including an insurance offering for mobile devices

Gross asset inflows in Savings

Pre-tax income

Revenues: €787m (+2.7% vs. 2Q21)
- Increase driven by good momentum of business in Savings and Protection
- Impact of market decrease on the financial result partly offset by capital gains

Operating expenses: €396m (+7.8% vs. 2Q21)
- Support of business development and targeted projects

Pre-tax income: €453m (+6.8% vs. 2Q21)
- Good contribution from associates and capital gains on the sale of businesses (+2.1% excluding this impact)

IPS – Wealth & Asset Management[1] – 2Q22

Good resilience of business activity on the whole

- **Wealth Management**
  - Very good net asset inflows, particularly in Germany and France and increase in transaction fees, especially in Asia
  - Integration in the digital offering of a new solution called Private Assets Portal dedicated to investments in private assets
- **Asset Management**
  - Positive net asset inflows this quarter in a challenging environment driven by inflows into medium- and long-term vehicles, offsetting the outflows from money-market funds
  - Development and widening of the responsible and sustainable investment range (86% of assets under management are classified Art. 8 or 9[2] as at 30.06.22)
- **Real Estate**
  - Good performance by Advisory (+13% vs. 2Q21)

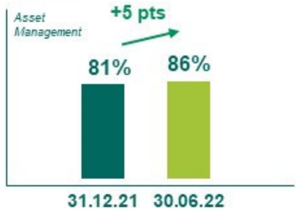
Acknowledged leadership

Outstanding Private Bank – Western Europe[3]

Outstanding Private Bank for UHNW clients[3]

Best Private Bank for Digital customer service, Global[4]

Open funds classified Art. 8 or 9[2]



Revenues: €936m (+1.9% vs. 2Q21)
- Increase in Wealth Management revenues driven mainly by a good level of activity
- Highly unfavourable impact of the market environment on Asset Management revenues
- Increased Real Estate revenues driven by Advisory

Operating expenses: €672m (+6.0% vs. 2Q21)
- Support for business development at Wealth Management and Real Estate
- Decrease at constant scope and exchange rates in costs at Asset Management

Pre-tax income: €276m (-7.2% vs. 2Q21)

1. Asset Management, Wealth Management, Real Estate and Principal Investments; 2. Open funds distributed in Europe classified "Article 8" or "Article 9" (SFDR) as a percentage of assets under management; 3. 2022 Private Banker International London Awards 2022; 4. 2022 PWM Wealth Tech Awards

GROUP RESULTS

DIVISION RESULTS

CONCLUSION

1H22 & 2Q22 DETAILED RESULTS

APPENDICES

Conclusion

A solid trajectory
Growth in revenues, positive jaws effect, and a prudent risk profile

Strength of BNP Paribas' distinctive model
Revenues: €12,781m
+8.5% vs. 2Q21

Positive jaws effect (+0.9 pt)

Low cost of risk (33 bps)[1]

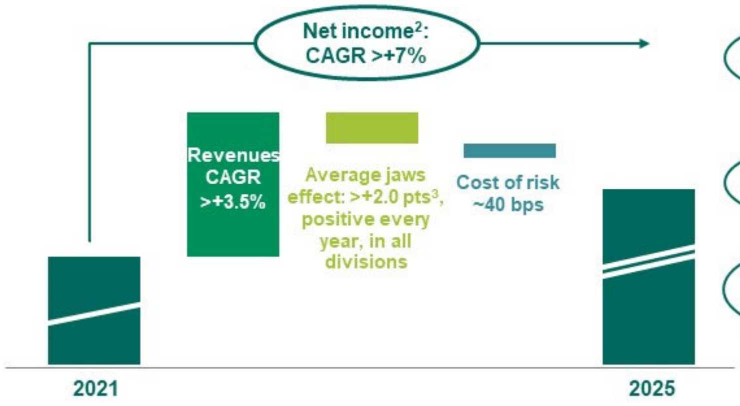
Strong growth in results
Net income[2]: €3,177m (+9.1 % vs. 2Q21)
(+18.5% excluding exceptional items)

A solid, diversified and integrated model generating growth higher than its underlying economy

1. Cost of risk / customer loans outstanding at the beginning of the period; 2. Group share

GTS 2025 strategic plan

Reminder: 2022-2025 Group objectives[1]



CET1	2024: 12.9% Basel 3 (CRR2) fully loaded 2025: 12.0% Basel 3 finalised (CRR3) fully loaded
ROTE	2024: ~11% 2025: >11%
Pay-out ratio	60% With a minimum 50% paid in cash[4]

1. Perimeter excluding Bank of the West; 2. Group share; 3. 21-25 CAGR of Revenues minus 21-25 CAGR of Operating Expenses; 4. Subject to General Meeting approval

BNP PARIBAS

GROUP RESULTS

DIVISION RESULTS

CONCLUSION

1H22 & 2Q22 DETAILED RESULTS

APPENDICES

Main exceptional items – 1H22

Exceptional items	1H22	1H21
Operating expenses		
• Restructuring costs[1] and adaptation costs[2] (*Corporate Centre*)	-€54m	-€82m
• IT reinforcement costs (*Corporate Centre*)	-€132m	-€66m
Total exceptional operating expenses	***-€185m***	***-€148m***
Other non-operating items		
• Badwill (bpost bank) (*Corporate Centre*)	+€244m	
• Capital gain on the sale of a stake (*Corporate Centre*)	+€204m	
• Impairment (Ukrsibbank) (Corporate *Centre*)	-€159m	
• Reclassification to profit and loss of exchange differences[3] (Ukrsibbank) (*Corporate Centre*)	-€274m	
• Capital gain on the sale of a BNP Paribas Asset Management stake in a JV (*Wealth and Asset Management*)		+€96m
• Capital gain on the sale of buildings (*Corporate Centre*)		+€302m
• Capital gain on the sale of Allfunds shares[4] (*Corporate Centre*)		+€300m
Total exceptional other non-operating items	***+€15m***	***+€698m***
Total exceptional items (pre-tax)	**-€171m**	**+€550m**
Total exceptional items (after tax)[5]	**-€124m**	**+€399m**
Impact on 2Q22 pre-tax income of the effects induced by the hyperinflation situation in Turkey[6] (details on slide 64)	**+€10m**	**NA**

1. Related in particular to the discontinuation or restructuring of certain businesses (in particular at CIB); 2. Related in particular to BancWest and CIB; 3. Previously recorded in Consolidated Equity; 4 Disposal of 6.7% stake in Allfunds; 5. Group share; 6. Application of IAS 29 standards "Financial Reporting in Hyperinflationary Economies" and efficiency of hedging with CPI linkers taken into account and now recognized in "Other non operating items"

1H22 – Consolidated Group

Robust results, a positive jaws effect at constant scope & exchange rates

	1H22	1H21	1H22 vs. 1H21	1H22 vs. 1H21 At constant scope & exchange rates
Revenues	**€25,999m**	**€23,605m**	**+10.1%**	**+8.5%**
Operating expenses	-€17,372m	-€15,769m	+10.2%	+7.6%
Gross operating income	**€8,627m**	**€7,836m**	**+10.1%**	**+10.1%**
Cost of risk	-€1,245m	-€1,709m	-27.2%	-34.0%
Operating income	**€7,382m**	**€6,127m**	**+20.5%**	**+22.4%**
Non-operating items	€397m	€890m	-55.4%	-45.8%
Pre-tax income	**€7,779m**	**€7,017m**	**+10.9%**	**+17.0%**
Net income, Group share	**€5,285m**	**€4,679m**	**+13.0%**	
Net income, Group share excluding exceptional items[1]	**€5,409m**	**€4,280m**	**+26.4%**	

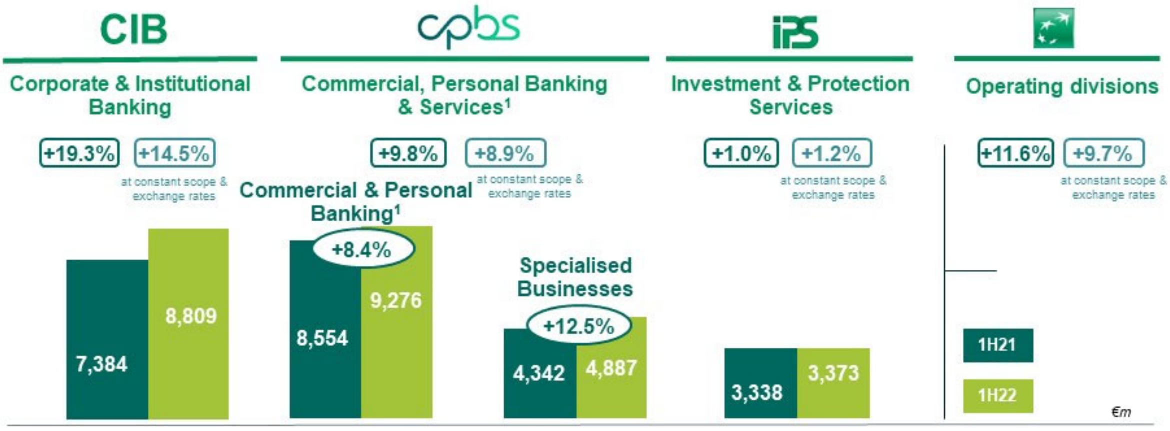
Return on tangible equity (ROTE)[2]: 12.4%

Earnings Per Share (EPS)[3]: €4.04 +13.5% vs. 1H21

1. See slide 43; 2. Not revaluated, see detailed calculation on slide 82; 3. See detailed calculation on slide 84

1H22 – Revenues

Very solid growth driven by a diversified model



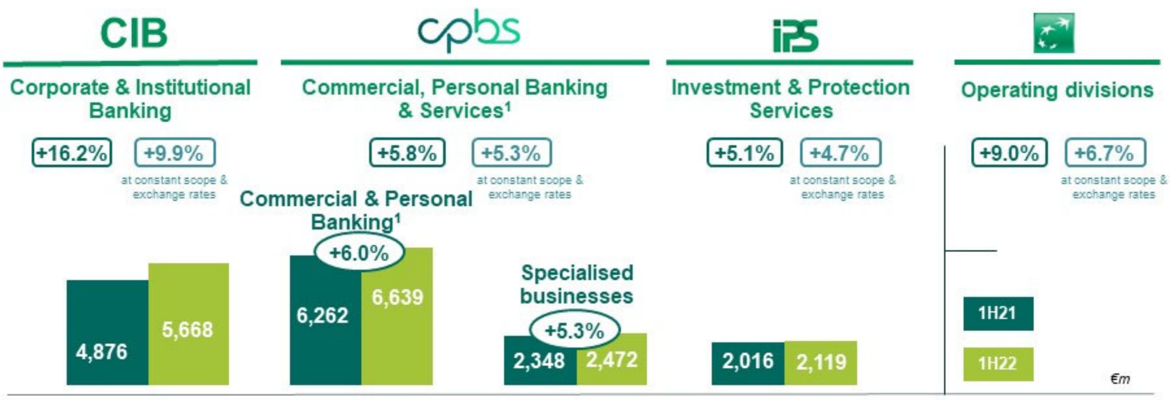
- **CIB:** strong increase in revenues, with growth in all three divisions, driven by a crystallization of market share gains and an acceleration with strategic developments finalised in 2021 and 2022 (Equities, strategic mandates at BNPP Securities Services)
- **CPBS:** strong growth in Commercial & Personal Banking with the ongoing improvement of fees and in the net interest margin, and a very strong increase in revenues at Specialised Businesses (Arval in particular)
- **IPS:** revenues growth in an unfavourable environment due to the performance of financial markets

1. Including 100% of Private Banking in Commercial, Personal Banking & Services (including PEL/CEL effects in France)

BNP PARIBAS The bank for a changing world Second quarter 2022 results | 45

1H22 – Operating expenses

Positive jaws effect in operating divisions (+2.6 pts)



- **CIB:** accompanying business growth and impact of change of scope (44% of the increase related to scope and exchange rates effects and an increase in taxes subject to IFRIC 21) – a highly positive jaws effect (+3.1 pts)
- **CPBS:** increase in operating expenses with the growth in business activity and scope impacts in Commercial & Personal Banking and Specialised Businesses – a very positive jaws effect (+4.0 pts)
- **IPS:** increase in operating expenses supporting business development and targeted initiatives

1. Including 100% of Private Banking in Commercial, Personal Banking & Services

BNP PARIBAS The bank for a changing world Second quarter 2022 results | 46

1H22 & 2Q22 – BNP Paribas Group

€m	2Q22	2Q21	2Q22 / 2Q21	1Q22	2Q22 / 1Q22	1H22	1H21	1H22 / 1H21
Group								
Revenues	**12,781**	**11,776**	**+8.5%**	**13,218**	**-3.3%**	**25,999**	**23,605**	**+10.1%**
incl. Interest Income	*5,695*	*5,370*	*6.1%*	*5,734*	*-0.7%*	11,429	10,822	5.6%
incl. Commissions	*2,615*	*2,640*	*-0.9%*	*2,637*	*-0.8%*	5,252	5,195	1.1%
Operating Expenses and Dep.	-7,719	-7,172	+7.6%	-9,653	-20.0%	-17,372	-15,769	+10.2%
Gross Operating Income	**5,062**	**4,604**	**+9.9%**	**3,565**	**+42.0%**	**8,627**	**7,836**	**+10.1%**
Cost of Risk	-789	-813	-3.0%	-456	+73.0%	-1,245	-1,709	-27.2%
Operating Income	**4,273**	**3,791**	**+12.7%**	**3,109**	**+37.4%**	**7,382**	**6,127**	**+20.5%**
Share of Earnings of Equity-Method Entities	251	101	n.s.	165	+52.1%	416	225	+84.9%
Other Non Operating Items	-22	302	n.s.	3	n.s.	-19	665	n.s.
Pre-Tax Income	**4,502**	**4,194**	**+7.4%**	**3,277**	**+37.4%**	**7,779**	**7,017**	**+10.9%**
Corporate Income Tax	-1,240	-1,193	+4.0%	-1,047	+18.4%	-2,287	-2,162	+5.8%
Net Income Attributable to Minority Interests	-85	-90	-5.5%	-122	-30.3%	-207	-176	+17.6%
Net Income Attributable to Equity Holders	**3,177**	**2,911**	**+9.1%**	**2,108**	**+50.7%**	**5,285**	**4,679**	**+13.0%**
Cost/income	**60.4%**	**60.9%**	**-0.5 pt**	**73.0%**	**-12.6 pt**	**66.8%**	**66.8%**	**+0.0 pt**

- Corporate income tax: average rate of 26.0% in 1H22, impact of booking in the first quarter of taxes and contributions for the year based on the application of IFRIC 21 "Taxes", of which a large part is not deductible
- Operating divisions:

(1H22 vs. 1H21)	At historical scope & exchange rates	At constant scope & exchange rates
Revenues	**+11.6%**	**+9.7%**
Operating expenses	+9.0%	+6.7%
Gross Operating Income	**+16.5%**	**+15.3%**
Cost of Risk	-28.9%	-32.7%
Operating Income	**+27.8%**	**+27.1%**
Pre-Tax income	**+29.0%**	**+27.5%**

(2Q22 vs. 2Q21)	At historical scope & exchange rates	At constant scope & exchange rates
Revenues	**+9.7%**	**+7.2%**
Operating expenses	+8.6%	+5.7%
Gross Operating Income	**+11.3%**	**+9.5%**
Cost of Risk	-2.6%	-8.3%
Operating Income	**+14.0%**	**+12.8%**
Pre-Tax income	**+17.2%**	**+14.4%**

Corporate and Institutional Banking – 1H22

€m	2Q22	2Q21	2Q22 / 2Q21	1Q22	2Q22 / 1Q22	1H22	1H21	1H22 / 1H21
Corporate and Institutional Banking								
Revenues	**4,106**	**3,714**	**+10.6%**	**4,702**	**-12.7%**	**8,809**	**7,384**	**+19.3%**
Operating Expenses and Dep.	-2,314	-2,042	+13.3%	-3,353	-31.0%	-5,668	-4,876	+16.2%
Gross Operating Income	**1,792**	**1,672**	**+7.2%**	**1,349**	**+32.8%**	**3,141**	**2,507**	**+25.3%**
Cost of Risk	-76	-57	+34.9%	-2	n.s.	-78	-229	-65.9%
Operating Income	**1,716**	**1,615**	**+6.2%**	**1,347**	**+27.3%**	**3,063**	**2,279**	**+34.4%**
Share of Earnings of Equity-Method Entities	9	10	-7.8%	4	n.s.	13	19	-27.5%
Other Non Operating Items	-1	12	n.s.	1	n.s.	0	23	-99.7%
Pre-Tax Income	**1,724**	**1,637**	**+5.3%**	**1,353**	**+27.5%**	**3,077**	**2,320**	**+32.6%**
Cost/Income	**56.4%**	**55.0%**	**+1.4 pt**	**71.3%**	**-14.9 pt**	**64.3%**	**66.0%**	**-1.7 pt**
Allocated Equity (€bn, year to date)						28.9	25.3	+13.9%

- **Revenues: +19.3% vs. 1H21** (+14.5% at constant scope and exchange rates)
  - Growth in all three business lines: Global Markets (+33.8%), Global Banking (+1.4%), and Securities Services (+10.7%)
- **Operating expenses: +16.2% vs. 1H21** (+9.9% vs. 1H21 at constant scope and exchange rates)
  - Support to business development, impact of the change in scope and increase in taxes subject to IFRIC 21 (44% of the increase due to scope and currency effects and changes in taxes subject to IFRIC 21)
  - Very positive jaws effect (+3.1 pts)
- **Cost of risk: -65.9% vs. 1H21,** steep decrease from a high basis of comparison, particularly in 1Q21
- **Allocated equity: +13.9% vs. 1H21**
  - Increase related to volume growth, impacts of regulations in 1Q22 and impact of markets volatility

Corporate and Institutional Banking
Global Banking – 1H22

€m	2Q22	2Q21	2Q22 / 2Q21	1Q22	2Q22 / 1Q22	1H22	1H21	1H22 / 1H21
Global Banking								
Revenues	**1,248**	**1,238**	**+0.8%**	**1,268**	**-1.5%**	**2,516**	**2,481**	**+1.4%**
Operating Expenses and Dep.	-657	-589	+11.5%	-815	-19.3%	-1,472	-1,357	+8.5%
Gross Operating Income	**591**	**649**	**-9.0%**	**453**	**+30.4%**	**1,043**	**1,124**	**-7.2%**
Cost of Risk	-85	-64	+33.5%	20	n.s.	-65	-249	-73.7%
Operating Income	**505**	**585**	**-13.7%**	**473**	**+6.9%**	**978**	**876**	**+11.7%**
Share of Earnings of Equity-Method Entities	1	9	-90.8%	1	-21.8%	2	14	-87.3%
Other Non Operating Items	0	0	n.s.	0	n.s.	0	0	n.s.
Pre-Tax Income	**506**	**594**	**-14.7%**	**474**	**+6.9%**	**980**	**890**	**+10.2%**
Cost/Income	52.7%	47.6%	**+5.1 pt**	64.3%	-11.6 pt	58.5%	54.7%	**+3.8 pt**
Allocated Equity (€bn, year to date)						16.0	13.5	+18.0%

- **Revenues: +1.4% vs. 1H21** (- 2.4% at constant scope and exchange rates)
  - Very good performance on an unfavourable market
  - Further market share gains
- **Operating expenses: +8.5% vs. 1H21** (-1.6% vs. 1H21 at constant scope and exchange rates)
  - Increase driven by business development
- **Cost of risk: -73.7% vs. 1H21,** steep decrease from a high basis of comparison, particularly in 1Q21
- **Allocated equity: +18.0% vs. 1H21**
  - Increase related to volume growth, impact of regulations in 1Q22 and foreign exchange effect

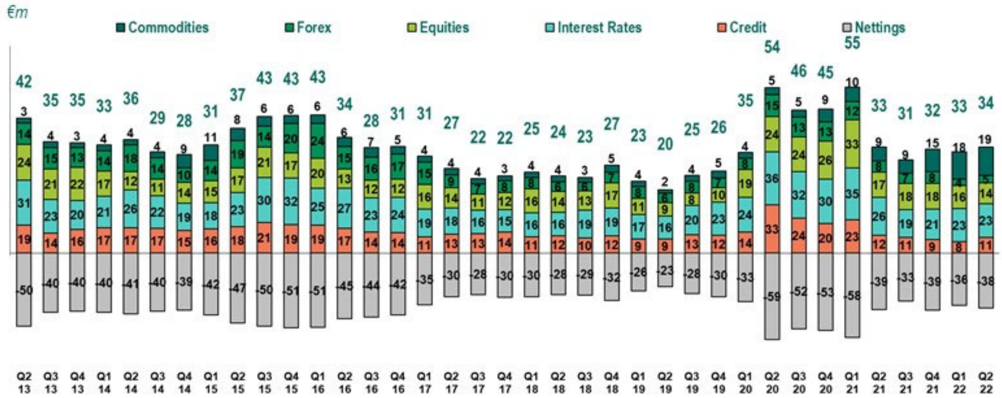
Corporate and Institutional Banking
Global Markets – 1H22

€m	2Q22	2Q21	2Q22 / 2Q21	1Q22	2Q22 / 1Q22	1H22	1H21	1H22 / 1H21
Global Markets								
Revenues	**2,196**	**1,904**	**+15.3%**	**2,821**	**-22.2%**	**5,017**	**3,750**	**+33.8%**
incl. FICC	*1,317*	*1,148*	*+14.8%*	*1,700*	*-22.5%*	*3,017*	*2,296*	*+31.4%*
incl. Equity & Prime Services	*878*	*757*	*+16.1%*	*1,121*	*-21.7%*	*2,000*	*1,454*	*+37.6%*
Operating Expenses and Dep.	-1,158	-999	+15.9%	-2,000	-42.1%	-3,158	-2,563	+23.2%
Gross Operating Income	**1,038**	**905**	**+14.7%**	**821**	**+26.4%**	**1,859**	**1,187**	**+56.6%**
Cost of Risk	8	5	+77.9%	-21	n.s.	-13	19	n.s.
Operating Income	**1,046**	**910**	**+15.0%**	**799**	**+30.9%**	**1,846**	**1,206**	**+53.0%**
Share of Earnings of Equity-Method Entities	8	5	+69.6%	2	n.s.	10	7	+44.1%
Other Non Operating Items	-1	2	n.s.	1	n.s.	0	6	n.s.
Pre-Tax Income	**1,053**	**917**	**+14.9%**	**802**	**+31.3%**	**1,856**	**1,219**	**+52.2%**
Cost/Income	52.7%	52.5%	**+0.2 pt**	70.9%	**-18.2 pt**	**63.0%**	68.3%	**-5.3 pt**
Allocated Equity (€bn, year to date)						11.5	10.7	+7.4%

- **Revenues: +33.8% vs. 1H21** (+27.6% at constant scope and exchange rates)
  - Very strong growth in demand, driven in particular by reallocation and hedging needs in rates, forex, emerging markets and commodity derivatives products
  - Good level of activity overall on equity markets, particularly in derivatives
- **Operating expenses: +23.2% vs. 1H21** (+17.9% vs. 1H21 at constant scope and exchange rates)
  - Increase driven by the very strong growth in activity and the increase in taxes subject to IFRIC 21
  - A very positive jaws effect (+10.6 pts)
- **Cost of risk:** a very low cost of risk
- **Allocated equity: +7.4% vs. 1H21**
  - Increase related to the impact of markets volatility in particular in commodities on market and counterparty risk

Corporate and Institutional Banking
Market risks – 2Q22

Average 99% 1-day interval VaR (Value at Risk)



Average VaR at a low level this quarter despite high volatility[1]

- At a low level, almost unchanged vs. 1Q22 due to prudent management. Overall level driven mainly by commodities, particularly the natural gas market.
- No theoretical back-testing event this quarter.
- 37 back-testing events since 01.01.2007, a little more than two per year over a long period, including crises, in line with the internal (1 day, 99%) VaR calculation model

1. VaR calculated to monitor market limits

Corporate and Institutional Banking
Securities Services – 1H22

€m	2Q22	2Q21	2Q22 / 2Q21	1Q22	2Q22 / 1Q22	1H22	1H21	1H22 / 1H21
Securities Services								
Revenues	**663**	**571**	**+16.0%**	**613**	**+8.0%**	**1,276**	**1,153**	**+10.7%**
Operating Expenses and Dep.	-499	-454	+10.0%	-538	-7.3%	-1,037	-957	+8.4%
Gross Operating Income	**164**	**117**	**+39.3%**	**75**	**n.s.**	**239**	**196**	**+21.9%**
Cost of Risk	0	2	-90.3%	0	n.s.	0	1	-71.1%
Operating Income	**164**	**120**	**+36.7%**	**75**	**n.s.**	**239**	**197**	**+21.4%**
Share of Earnings of Equity-Method Entities	0	-4	n.s.	1	-84.0%	2	-3	n.s.
Other Non Operating Items	0	10	-99.9%	0	n.s.	0	17	-100.0%
Pre-Tax Income	**164**	**126**	**+30.1%**	**77**	**n.s.**	**241**	**211**	**+13.9%**
Cost/Income	**75.3%**	**79.4%**	**-4.1 pt**	**87.7%**	**-12.4 pt**	**81.3%**	**83.0%**	**-1.7 pt**
Allocated Equity (€bn, year to date)						1.4	1.1	+25.5%

- **Revenues: +10.7% vs. 1H21** (+8.8% at constant scope and exchange rates), driven by the increase in average assets in the first half, the very steep rise in transaction volumes and the interest-rate environment
- **Close control over operating expenses:** very positive jaws effect (+2.3 pts)

Securities Services	30.06.22	30.06.21	% Var/ 30.06.21	31.03.22	% Var/ 31.03.22
Assets under custody (€bn)	11,214	12,067	-7.1%	11,907	-5.8%
Assets under administration (€bn)	2,256	2,388	-5.6%	2,426	-7.0%
	2Q22	**2Q21**	**2Q22/2Q21**	**1Q22**	**2Q22/1Q22**
Number of transactions (in million)	38.3	33.3	+15.1%	38.6	-0.9%

Commercial, Personal Banking & Services – 1H22

€m	2Q22	2Q21	2Q22 / 2Q21	1Q22	2Q22 / 1Q22	1H22	1H21	1H22 / 1H21
Commercial, Personal Banking & Services (including 100% of Private Banking in France, Belgium, Italy, Luxembourg, Poland, Turkey, the United States and Germany)[1]								
Revenues	**7,184**	**6,467**	**+11.1%**	**6,979**	**+2.9%**	**14,163**	**12,897**	**+9.8%**
Operating Expenses and Dep.	-4,263	-4,001	+6.5%	-4,848	-12.1%	-9,112	-8,610	+5.8%
Gross Operating Income	**2,921**	**2,466**	**+18.5%**	**2,131**	**+37.1%**	**5,051**	**4,287**	**+17.8%**
Cost of Risk	-645	-694	-7.1%	-401	+61.0%	-1,046	-1,362	-23.2%
Operating Income	**2,275**	**1,771**	**+28.5%**	**1,730**	**+31.5%**	**4,005**	**2,925**	**+36.9%**
Share of Earnings of Equity-Method Entities	157	73	n.s.	86	+82.1%	243	125	+95.5%
Other Non Operating Items	32	-10	n.s.	6	n.s.	38	-46	n.s.
Pre-Tax Income	**2,464**	**1,834**	**+34.4%**	**1,822**	**+35.2%**	**4,286**	**3,004**	**+42.7%**
Income Attributable to Wealth and Asset Management	-86	-71	+21.3%	-61	+41.0%	-148	-131	+12.6%
Pre-Tax Income of Commercial, Personal Banking & Services	**2,378**	**1,763**	**+34.9%**	**1,761**	**+35.0%**	**4,139**	**2,872**	**+44.1%**
Cost/Income	**59.3%**	**61.9%**	**-2.6 pt**	**69.5%**	**-10.2 pt**	**64.3%**	**66.8%**	**-2.5 pt**
Allocated Equity (€bn, year to date; including 2/3 of Private Banking in France, Belgium, Italy, Luxembourg, Poland, Turkey, the United States and Germany)						46.3	43.5	+6.6%

1. Including 100% of Private Banking in France, Belgium, Italy, Luxembourg, Poland, Turkey and in the United States for the Revenues to Pre-tax income line items

- **Revenues: +9.8% vs. 1H21**
  - Very good performance by Commercial & Personal Banking with continued robust growth in the euro zone and strong growth in Europe-Mediterranean
  - Sharp increase at Specialised Businesses with very strong growth at Arval, a steep increase at Leasing Solutions and a good level of revenues at Personal Finance
- **Operating expenses: +5.8% vs. 1H21,** increase driven by the support business activity – a very positive jaws effect (+4.0 pts)
- **Pre-tax income: +44.1% vs. 1H21**
  - Strong increase in GOI (+17.8%) and lower cost of risk (-23.2%), particularly in 1Q22 with releases of provisions at BancWest
  - Limited impact overall of the effects induced by the hyperinflation situation in Turkey, effective 01.01.22 and booked in 2Q22 (see slide 64 for details)

CPBS – Commercial & Personal Banking in France – 1H22

€m	2Q22	2Q21	2Q22 / 2Q21	1Q22	2Q22 / 1Q22	1H22	1H21	1H22 / 1H21
Commercial & Personal Banking in France (including 100% of Private Banking in France)[1]								
Revenues	**1,728**	**1,607**	**+7.6%**	**1,613**	**+7.1%**	**3,342**	**3,088**	**+8.2%**
incl. net interest income	*919*	*860*	*6.9%*	*847*	*8.5%*	*1,766*	*1,657*	*6.6%*
incl. fees	*809*	*747*	*8.3%*	*766*	*5.6%*	*1,575*	*1,431*	*10.1%*
Operating Expenses and Dep.	-1,117	-1,075	+3.9%	-1,239	-9.9%	-2,356	-2,250	+4.7%
Gross Operating Income	**612**	**532**	**+14.9%**	**374**	**+63.4%**	**986**	**838**	**+17.7%**
Cost of Risk	-64	-101	-36.7%	-93	-31.2%	-157	-226	-30.7%
Operating Income	**548**	**431**	**+27.0%**	**281**	**+94.6%**	**829**	**612**	**+35.5%**
Share of Earnings of Equity-Method Entities	1	-2	n.s.	0	n.s.	1	-1	n.s.
Other Non Operating Items	25	0	n.s.	0	n.s.	25	0	n.s.
Pre-Tax Income	**574**	**429**	**+33.7%**	**282**	**n.s.**	**855**	**610**	**+40.2%**
Income Attributable to Wealth and Asset Management	-42	-30	+40.7%	-31	+35.4%	-74	-58	+27.2%
Pre-Tax Income of Commercial & Personal Banking in France	**531**	**399**	**+33.2%**	**250**	**n.s.**	**782**	**552**	**+41.5%**
Cost/Income	**64.6%**	**66.9%**	**-2.3 pt**	**76.8%**	**-12.2 pt**	**70.5%**	**72.9%**	**-2.4 pt**
Allocated Equity(€bn, year to date; including 2/3 of Private Banking in France)						11.0	10.8	+2.0%

1. Including 100% of Private Banking in France for the Revenues to Pre-tax Income line items

- **Revenues: +8.2% vs. 1H21**
  - Net interest income: increase driven by growth in loan activity and the impact of the interest-rate and market environments
  - Fees: marked increase in all fees and client segments
- **Operating expenses: +4.7% vs. 1H21**
  - Increase driven by business development; highly positive jaws effect (3.5 pts)
- **Pre-tax income: +41.5% vs. 1H21,** strong increase in GOI and steep drop in cost of risk

1. PEL/CEL effect: +€25m in 1H22 (+€20m in 1H21)

CPBS – Commercial & Personal Banking in France
Volumes

Average outstandings (€bn)	2Q22	%Var/2Q21	%Var/1Q22	1H22	%Var/1H21
LOANS	**207.7**	**+4.5%**	**+2.4%**	**205.3**	**+3.5%**
Individual Customers	110.1	+5.9%	+1.7%	109.2	+5.9%
Incl. Mortgages	98.6	+5.9%	+1.4%	97.9	+6.1%
Incl. Consumer Lending	11.5	+5.9%	+3.6%	11.3	+4.9%
Corporates	97.6	+3.0%	+3.2%	96.1	+0.8%
DEPOSITS AND SAVINGS	**243.7**	**+5.7%**	**+1.6%**	**241.7**	**+6.0%**
Current Accounts	169.9	+7.3%	+2.5%	167.9	+7.7%
Savings Accounts	67.8	+1.5%	+0.7%	67.6	+1.6%
Market Rate Deposits	6.0	+9.9%	-9.0%	6.3	+10.1%

€bn	30.06.22	%Var/ 30.06.21	%Var/ 31.03.22
OFF BALANCE SHEET SAVINGS			
Life Insurance	100.9	-0.2%	-1.9%
Mutual Funds	35.0	-10.4%	-9.4%

CPBS – BNL banca commerciale – 1H22

€m	2Q22	2Q21	2Q22 / 2Q21	1Q22	2Q22 / 1Q22	1H22	1H21	1H22 / 1H21
BNL bc (including 100% of Private Banking in Italy)[1]								
Revenues	**671**	**669**	**+0.3%**	**654**	**+2.6%**	**1,326**	**1,345**	**-1.4%**
incl. net interest income	*387*	*387*	*0.1%*	*380*	*1.8%*	*768*	*784*	*-2.1%*
incl. fees	*284*	*283*	*0.6%*	*274*	*3.7%*	*558*	*561*	*-0.4%*
Operating Expenses and Dep.	-416	-435	-4.2%	-454	-8.3%	-870	-893	-2.6%
Gross Operating Income	**255**	**235**	**+8.7%**	**201**	**+27.2%**	**456**	**452**	**+0.9%**
Cost of Risk	-110	-105	+4.6%	-128	-14.3%	-237	-215	+10.6%
Operating Income	**146**	**130**	**+11.9%**	**73**	**n.s.**	**219**	**237**	**-8.0%**
Share of Earnings of Equity-Method Entities	0	0	n.s.	0	n.s.	0	0	n.s.
Other Non Operating Items	2	0	n.s.	0	n.s.	2	0	n.s.
Pre-Tax Income	**148**	**130**	**+13.3%**	**73**	**n.s.**	**220**	**238**	**-7.2%**
Income Attributable to Wealth and Asset Management	-8	-10	-17.3%	-8	+6.1%	-16	-19	-15.5%
Pre-Tax Income of BNL bc	**139**	**120**	**+15.8%**	**65**	**n.s.**	**205**	**219**	**-6.5%**
Cost/Income	**62.0%**	**64.9%**	**-2.9 pt**	**69.3%**	**-7.3 pt**	**65.6%**	**66.4%**	**-0.8 pt**
Allocated Equity (€bn, year to date; including 2/3 of Private Banking in Italy)						6.0	5.3	+11.7%

1. Including 100% of Private Banking in Italy for the Revenues to Pre-tax Income line items

- **Revenues: -1.4% vs. 1H21 (-0.1% at constant scope[1])**
  - Lower interest income despite higher credit volumes
  - Higher banking fees at constant scope[1], particularly among corporate clients
- **Operating expenses: -2.6% vs. 1H21 (-0.7% at constant scope[1])**
  - Effect of the transformation of the operating model and adaptation measures (the "*Quota 100*" retirement plan)
  - Positive jaws effect (+1.2 pt)
- **Pre-tax income: -6.5% vs. 1H21,** cost of risk rose but remained low, with a limited number of new defaults

1. Business divestment effective on 02.01.22

CPBS – BNL banca commerciale
Volumes

Average outstandings (€bn)	2Q22	1Q22	%Var/2Q21	%Var/1Q22	1H22	%Var/1H21
LOANS	78.2	78.6	+2.6%	-0.4%	78.4	+2.4%
Individual Customers	38.3	37.8	+0.9%	+1.2%	38.1	+1.0%
Incl. Mortgages	27.2	26.7	+4.1%	+2.0%	26.9	+3.8%
Incl. Consumer Lending	5.0	4.9	+1.6%	+2.2%	4.9	+1.7%
Corporates	39.9	40.7	+4.3%	-2.0%	40.3	+3.7%
DEPOSITS AND SAVINGS	65.3	62.5	+11.3%	+4.5%	63.9	+9.9%
Individual Deposits	38.2	37.8	+7.1%	+1.2%	38.0	+7.8%
Incl. Current Accounts	38.0	37.6	+7.2%	+1.2%	37.8	+7.8%
Corporate Deposits	27.1	24.7	+17.8%	+9.5%	25.9	+13.3%

€bn	30.06.22	31.03.22	% Var/ 30.06.21	% Var/ 31.03.22
OFF BALANCE SHEET SAVINGS				
Life Insurance	25.7	25.9	+4.0%	-0.9%
Mutual Funds	15.3	16.7	-12.2%	-8.4%

CPBS – Commercial & Personal Banking in Belgium – 1H22

€m	2Q22	2Q21	2Q22 / 2Q21	1Q22	2Q22 / 1Q22	1H22	1H21	1H22 / 1H21
Commercial & Personal Banking in Belgium (including 100% of Private Banking in Belgium)[1]								
Revenues	965	864	+11.8%	935	+3.3%	1,900	1,722	+10.3%
incl. net interest income	*677*	*589*	*14.9%*	*632*	*7.1%*	*1,309*	*1,174*	*11.5%*
incl. fees	*288*	*275*	*5.0%*	*303*	*-4.8%*	*591*	*548*	*7.8%*
Operating Expenses and Dep.	-554	-488	+13.4%	-905	-38.8%	-1,459	-1,333	+9.4%
Gross Operating Income	412	376	+9.7%	30	n.s.	442	389	+13.5%
Cost of Risk	-16	-45	-63.5%	17	n.s.	1	-92	n.s.
Operating Income	396	331	+19.5%	47	n.s.	443	298	+48.9%
Share of Earnings of Equity-Method Entities	1	2	-78.2%	0	n.s.	0	-1	n.s.
Other Non Operating Items	3	4	-16.3%	4	-29.3%	7	7	+10.5%
Pre-Tax Income	399	337	+18.5%	52	n.s.	451	304	+48.5%
Income Attributable to Wealth and Asset Management	-20	-22	-9.5%	-10	n.s.	-30	-34	-12.0%
Pre-Tax Income of Commercial & Personal Banking in Belgium	379	315	+20.4%	42	n.s.	421	270	+56.1%
Cost/Income	57.3%	56.5%	+0.8 pt	96.8%	-39.5 pt	76.8%	77.4%	-0.6 pt
Allocated Equity (€bn, year to date; including 2/3 of Private Banking in Belgium)						6.2	5.2	+19.6%

1. Including 100% of Private Banking in Belgium for the Revenues to Pre-tax Income line items

- **Revenues: +10.3% vs. 1H21**
  - Net interest income: +11.5%, sharp increase driven mainly by stronger corporate activity and the increase in individual loan volumes
  - Fees: +7.8%, strong growth across all customer segments
- **Operating expenses: +9.4% vs. 1H21**, driven by support for business growth; a positive jaws effect (+0.9 pt)
- **Pre-tax income: +56.1% vs. 1H21**, strong growth in GOI and impact of the lower cost of risk

CPBS – Commercial & Personal Banking in Belgium
Volumes

Average outstandings (€bn)	2Q22	1Q22	%Var/2Q21	%Var/1Q22	1H22	%Var/1H21
LOANS	**134.4**	**130.5**	**+15.4%**	**+3.0%**	**132.5**	**+14.4%**
Individual Customers	86.6	85.2	+15.9%	+1.6%	85.9	+15.6%
Incl. Mortgages	64.2	64.1	+17.9%	+0.3%	64.1	+18.1%
Incl. Consumer Lending	0.4	0.1	+13.5%	n.s.	0.3	+11.9%
Incl. Small Businesses	22.0	21.0	+10.5%	+4.5%	21.5	+8.8%
Corporates and Local Governments	47.8	45.3	+14.3%	+5.4%	46.5	+12.4%
DEPOSITS AND SAVINGS	**161.7**	**160.8**	**+8.7%**	**+0.5%**	**161.3**	**+9.6%**
Current Accounts	75.9	78.8	+9.7%	-3.7%	77.3	+13.5%
Savings Accounts	83.3	79.8	+7.9%	+4.4%	81.5	+6.3%
Term Deposits	2.5	2.3	+9.0%	+9.7%	2.4	+4.0%

€bn	30.06.22	31.03.22	%Var/ 30.06.21	%Var/ 31.03.22
OFF BALANCE SHEET SAVINGS				
Life Insurance	24.6	25.3	+1.7%	-2.8%
Mutual Funds	37.8	41.1	-6.0%	-8.0%

- **Restatement of 2021 outstandings related to the integration of an activity**

CPBS – Commercial & Personal Banking in Luxembourg – 1H22

€m	2Q22	2Q21	2Q22 / 2Q21	1Q22	2Q22 / 1Q22	1H22	1H21	1H22 / 1H21
Commercial & Personal Banking in Luxembourg (including 100% of Private Banking in Luxembourg)[1]								
Revenues	**114**	**106**	**+7.1%**	**115**	**-1.1%**	**228**	**207**	**+10.5%**
incl. net interest income	*90*	*85*	*5.5%*	*88*	*2.3%*	*178*	*166*	*7.1%*
incl. fees	*24*	*21*	*13.7%*	*27*	*-12.1%*	*50*	*40*	*24.6%*
Operating Expenses and Dep.	-66	-64	+2.7%	-80	-18.1%	-146	-143	+2.2%
Gross Operating Income	**48**	**42**	**+13.7%**	**35**	**+38.4%**	**83**	**64**	**+28.9%**
Cost of Risk	3	1	n.s.	5	-49.9%	8	2	n.s.
Operating Income	**51**	**43**	**+17.5%**	**40**	**+26.4%**	**91**	**66**	**+37.9%**
Share of Earnings of Equity-Method Entities	0	0	n.s.	0	n.s.	0	0	+80.2%
Other Non Operating Items	0	0	+14.2%	2	-95.4%	2	0	n.s.
Pre-Tax Income	**51**	**43**	**+17.3%**	**42**	**+21.6%**	**92**	**66**	**+40.3%**
Income Attributable to Wealth and Asset Management	-2	-1	+14.2%	-2	-13.7%	-3	-3	+18.9%
Pre-Tax Income of Commercial & Personal Banking in Luxembourg	**49**	**42**	**+17.4%**	**40**	**+23.1%**	**89**	**63**	**+41.2%**
Cost/Income	**57.8%**	**60.2%**	**-2.4 pt**	**69.8%**	**-12.0 pt**	**63.8%**	**69.0%**	**-5.2 pt**
Allocated Equity (€bn, year to date; including 2/3 of Private Banking in Luxembourg)						0.8	0.7	+9.8%

1. Including 100% of Private Banking in Luxembourg for the Revenues to Pre-tax Income line items

- **Revenues: +7.1% vs. 2Q21; +10.5% vs. 1H21**
  - Net interest income: +5.5% vs. 2Q21; +7.1% vs. 1H21, increase driven by higher volumes
  - Fees: +13.7% vs. 2Q21; +24.6% vs. 1H21, growth in all fees
- **Operating expenses: +2.7% vs. 2Q21; +2.2% vs. 1H21,** contained increase and highly positive jaws effect (+8.3 pts in 1H22)
- **Pre-tax income: +17.4% vs. 2Q21; +41.2% vs. 1H21,** positive impact of the cost of risk

CPBS – Commercial & Personal Banking in Luxembourg – 1H22

Volumes

Average outstandings (€bn)	2Q22	%Var/2Q21	%Var/1Q22	1H22	%Var/1H21
LOANS	12.9	+6.6%	+1.5%	12.8	+6.9%
Individual Customers	8.1	+4.0%	+0.9%	8.0	+4.3%
Corporates and Local Governments	4.8	+11.3%	+2.7%	4.8	+11.7%
DEPOSITS AND SAVINGS	30.4	+11.0%	+5.9%	29.5	+8.9%
Current Accounts	19.4	+11.8%	+9.9%	18.5	+7.9%
Savings Accounts	8.7	-2.6%	-1.9%	8.8	-0.2%
Term Deposits	2.4	n.s.	+5.5%	2.3	+87.3%

€bn	30.06.22	%Var/ 30.06.21	%Var/ 31.03.22
OFF BALANCE SHEET SAVINGS			
Life Insurance	1.1	-4.8%	-1.7%
Mutual Funds	2.0	-9.6%	-8.9%

- **Loans: +6.6% vs. 2Q21; +6.9% vs. 1H21**, good momentum with growth in mortgage and corporate loans
- **Deposits: + 11.0% vs. 2Q21; +8.9% vs. 1H21**, significant increase in deposits
- **Off-balance sheet savings vs. 30.06.21: -8.0% vs. 30.06.21**, due to the performance of the markets

CPBS – Europe-Mediterranean – 1H22

€m	2Q22	2Q21	2Q22 / 2Q21	1Q22	2Q22 / 1Q22	1H22	1H21	1H22 / 1H21
Europe-Mediterranean (including 100% of Private Banking in Poland and Turkey)[1]								
Revenues	566	464	+21.9%	639	-11.4%	1,205	981	+22.9%
incl. net interest income	*455*	*349*	*30.4%*	*518*	*-12.2%*	*974*	*746*	*30.1%*
incl. fees	*111*	*115*	*-3.6%*	*121*	*-8.0%*	*231*	*232*	*-0.3%*
Operating Expenses and Dep.	-418	-394	+6.0%	-422	-1.1%	-840	-828	+1.4%
Gross Operating Income	148	71	n.s.	217	-31.6%	365	152	n.s.
Cost of Risk	-48	-58	-17.4%	-39	+22.9%	-87	-97	-9.8%
Operating Income	100	12	n.s.	178	-43.6%	278	55	n.s.
Share of Earnings of Equity-Method Entities	132	77	+71.2%	70	+87.5%	202	117	+73.1%
Other Non Operating Items	-29	-7	n.s.	0	n.s.	-29	-49	-40.6%
Pre-Tax Income	203	82	n.s.	248	-18.3%	451	123	n.s.
Income Attributable to Wealth and Asset Management	-3	-2	+45.9%	-3	-11.2%	-6	-5	+38.0%
Pre-Tax Income of Europe-Mediterranean	200	80	n.s.	245	-18.4%	445	119	n.s.
Cost/Income	73.8%	84.8%	-11.0 pt	66.1%	+7.7 pt	69.7%	84.5%	-14.8 pt
Allocated Equity (€bn, year to date, including 2/3 of Private Banking in Poland and Turkey)						5.2	5.0	+4.7%

1. Including 100% of Private Banking in Turkey and Poland for the Revenues to Pre-tax Income line items

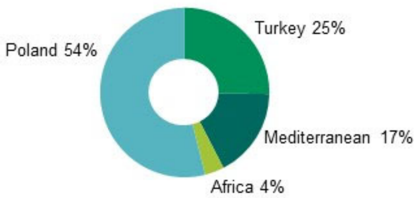
- **Forex impact driven by the euro's gains vs. the Turkish lira and zloty**
  - TRY/EUR[1]: -42.2% vs. 2Q21, -10.5% vs. 1Q22
  - PLN/EUR[2]: -2.6% vs. 2Q21, -0.6% vs. 1Q22
- **Reminder: implementation of IAS 29 in Turkey effective as at 01.01.22[3]**
- **At constant scope and exchange rates vs. 1H21**
  - **Revenues[4]**: +48.2%, driven by the strong growth in net interest income
  - **Operating expenses[4]**: +20.2%, increase driven by inflation and a temporary increase in contributions - a very positive jaws effect (+28.0 pts)
  - **Pre-tax income[5]**: x2.6, limited overall impact of the effects induced by the hyperinflation situation in Turkey effective 01.01.22 and booked in 2Q22 (see details slide 64)

1. Average exchange rates till 31.03.22 and application of an end of period exchange rate starting 01.04.22, in line with the application of IAS 29 in Turkey; 2. Average exchange rates; 3. See slide 64 for details; 4. Including 100% of Private Banking in Turkey and in Poland; 5. Including 2/3 of Private Banking in Turkey and in Poland; 6. Including 100% of Private Banking

CPBS – Europe-Mediterranean
Volumes and risks

Average outstandings (€bn)	2Q22	%Var/2Q21 historical	%Var/2Q21 at constant scope and exchange rates	%Var/1Q22 historical	%Var/1Q22 at constant scope and exchange rates	1H22	%Var/1H21 historical	%Var/1H21 at constant scope and exchange rates
LOANS	35.3	+4.4%	+21.8%	+3.3%	+6.8%	34.7	+2.2%	+19.5%
DEPOSITS	40.9	+2.6%	+22.2%	+2.5%	+7.2%	40.3	+2.0%	+19.6%

Geographical breakdown in loans outstanding in 2Q22[1]



Cost of risk / loans outstanding

Annualised cost of risk / outstandings as at beginning of period	2Q21	3Q21	4Q21	1Q22	2Q22
Turkey	1.21%	0.04%	0.61%	0.62%	0.22%
Poland	0.26%	0.06%	-0.03%	0.16%	0.63%
Others	0.78%	0.51%	0.79%	0.83%	0.64%
Europe-Mediterranean	0.65%	0.17%	0.34%	0.43%	0.53%

TEB: a solid and well capitalised bank

- Solvency ratio[2] of 14.65% as at 30.06.22
- Very largely self-financed
- 1.0% of the Group's loans outstanding as at 30.06.22

1. Based on perimeter as at 30.06.22; 2. Capital Adequacy Ratio (CAR)

Hyperinflationary environment in Turkey (1/2)

Application in Turkey of IAS 29 "Financial Reporting in Hyperinflationary Economies", effective 01.01.2022; 1H22 impacts recognised in 2Q22

- Context: cumulative three-year inflation greater than 100%
- Principles of the standard: to ensure comparability of financial statements in a hyperinflationary environment by restating financial statements, expressing them in so-called "current" prices, based on the general price index

Main effects of the application of IAS 29 in Turkey and taking the efficiency of the hedging (CPI linkers, i.e. inflation-linked bonds) into account[1]

- **Positive cumulative equity impact as of 30.06.22 (+€517m)**
- **Limited and positive overall impact on 1H22 pre-tax income, recognised in 2Q22 (+€10m)**

Group-level impact (including forex impact) (€m)	1H22 total recognised in 2Q22		For 1Q22	For 2Q22
Revenues	43	of which +€35m for Europe-Mediterranean	11	32
Operating expenses	-15		-4	-10
Cost of Risk	-1		-1	0
Share of Earnings of Equity-Method Entities	-10		-6	-4
Other Non Operating Items	-8	of which +€40m for Arval & Leasing Solutions and -€31m for Europe-Mediterranean	-12	4
Pre-Tax Income	**10**		**-12**	**22**

1. Now recognised in "Other non-operating items"

Hyperinflationary environment in Turkey (2/2)

- **Main effects of the application of IAS 29 and taking the efficiency of the hedging into account**
  - **Equity: positive cumulative impact as of 30.06.22 (+€517m)**
    1. Revaluation of non-monetary assets: application to their book value of the impact of changes in prices between their entry into the portfolio and 01.01.22 (first-time application) and on each closing date
    2. Revaluation as at 1 January 2022 of the accruals of CPI linkers (i.e., inflation-linked bonds) based on end-of-period CPI (first-time application)

in millions of euros	1st time application as at 1 January 2022	Cumulative impact as at 30 June 2022
Total equity	174	517

  - **P&L statement: positive and limited overall impact on 1H22 pre-tax net income recognised in 2Q22 (+€10m, including forex impact)**
    1. Recognising at each closing date the impact of the change of prices on the net non-monetary position under "Other non-operating items" (offsetting the impact on equity (excluding fixed assets))
    2. Recognising at each closing date the income from CPI linkers (inflation-linked bonds) under "Other non-operating items"[1] based on end-of-period CPI

    ➔ **Balance of these impacts recognised under "Other non-operating items" as at 30.06.22 (+€11m), as the net non-monetary position is almost fully hedged by the portfolio of inflation-linked bonds**

    3. Revaluation of P&L items with the impact of inflation and the end-of-period exchange rate

    ➔ **Very limited impact (except (1) et (2)) on pre-tax net income as at 30.06.22 (-€1m)**

1. Reminder: revenues from CPI linkers were recognised under "Revenues" until 1Q22

CPBS – BancWest – 1H22

€m	2Q22	2Q21	2Q22 / 2Q21	1Q22	2Q22 / 1Q22	1H22	1H21	1H22 / 1H21
BancWest (including 100% of Private Banking in United States)[1]								
Revenues	657	587	+11.9%	619	+6.2%	1,275	1,212	+5.2%
incl. net interest income	*542*	*493*	*10.0%*	*519*	*4.6%*	*1,061*	*1,031*	*2.9%*
incl. fees	*114*	*94*	*21.6%*	*100*	*14.3%*	*214*	*181*	*18.5%*
Operating Expenses and Dep.	-495	-406	+22.1%	-475	+4.2%	-970	-815	+18.9%
Gross Operating Income	162	182	-10.9%	144	+12.6%	306	397	-23.0%
Cost of Risk	-30	-8	n.s.	194	n.s.	164	-2	n.s.
Operating Income	132	173	-23.8%	337	-60.9%	469	395	+18.9%
Share of Earnings of Equity-Method Entities	0	0	n.s.	0	n.s.	0	0	n.s.
Other Non Operating Items	2	3	-36.6%	0	n.s.	2	5	-63.4%
Pre-Tax Income	134	176	-24.0%	337	-60.3%	471	399	+17.9%
Income Attributable to Wealth and Asset Management	-11	-5	n.s.	-7	+59.2%	-18	-12	+45.2%
Pre-Tax Income of BancWest	123	171	-28.0%	330	-62.7%	453	387	+17.1%
Cost/Income	75.4%	69.1%	+6.3 pt	76.8%	-1.4 pt	76.0%	67.3%	+8.7 pt
Allocated Equity (€bn, year to date; including 2/3 of Private Banking in the United States)						5.4	5.0	+8.3%

1. Including 100% of U.S Private Banking for the Revenues to Pre-tax Income line items

- **Foreign exchange effect: appreciation of the dollar compared to the euro**
  - USD / EUR[1]: +13.2% vs. 2Q21, +5.4% vs. 1Q22
- **At constant scope and exchange rates vs. 1H21**
  - **Revenues[2]**: -4.5%, -0.5% excluding the impact of a positive non-recurrent item in 1H21, decrease driven mainly by the effect on loan volumes of the end of PPP loans and the discontinuation of a business in 2020
  - **Operating expenses[2]**: +8.3%, increase in connection with targeted projects
  - **Pre-tax income[3]**: +5.6%, significant release in 1Q22 of provisions (stages 1 & 2) linked to the public health crisis

1. Average rates; 2. Including 100% of Private Banking in the United States; 3. Including 2/3 of Private Banking in the United States

CPBS - BancWest
Volumes

Average outstandings (€bn)	2Q22	%Var/2Q21 historical	%Var/2Q21 at constant scope and exchange rates	%Var/1Q22 historical	%Var/1Q22 at constant scope and exchange rates	1H22	%Var/1H21 historical	%Var/1H21 at constant scope and exchange rates
LOANS	54.9	+12.4%	-0.7%	+7.2%	+1.7%	53.0	+7.3%	-2.7%
Individual Customers	23.4	+19.6%	+5.7%	+8.7%	+3.1%	22.5	+13.2%	+2.6%
Incl. Mortgages	10.1	+30.1%	+15.0%	+11.8%	+6.1%	9.6	+20.1%	+8.9%
Incl. Consumer Lending	13.3	+12.7%	-0.5%	+6.4%	+1.0%	12.9	+8.5%	-1.6%
Commercial Real Estate	15.4	+11.2%	-1.7%	+4.3%	-1.0%	15.1	+8.8%	-1.4%
Corporate Loans	16.0	+4.2%	-8.0%	+7.9%	+2.4%	15.4	-1.5%	-10.6%
DEPOSITS AND SAVINGS	72.5	+7.0%	-5.5%	+0.2%	-4.9%	72.4	+8.9%	-1.3%
Customer Deposits	67.4	+7.6%	-5.0%	+0.5%	-4.6%	67.3	+8.9%	-1.3%

CPBS – Specialised Businesses – Personal Finance – 1H22

€m	2Q22	2Q21	2Q22 / 2Q21	1Q22	2Q22 / 1Q22	1H22	1H21	1H22 / 1H21
Personal Finance								
Revenues	**1,371**	**1,319**	**+3.9%**	**1,388**	**-1.2%**	**2,759**	**2,651**	**+4.1%**
Operating Expenses and Dep.	-718	-700	+2.6%	-776	-7.4%	-1,494	-1,451	+3.0%
Gross Operating Income	**653**	**619**	**+5.4%**	**612**	**+6.6%**	**1,266**	**1,200**	**+5.4%**
Cost of Risk	-309	-344	-10.2%	-315	-2.1%	-624	-665	-6.1%
Operating Income	**344**	**276**	**+24.9%**	**297**	**+15.9%**	**642**	**536**	**+19.7%**
Share of Earnings of Equity-Method Entities	26	-2	n.s.	14	+80.8%	40	14	n.s.
Other Non Operating Items	-12	-9	+35.4%	0	n.s.	-12	-8	+47.3%
Pre-Tax Income	**358**	**264**	**+35.3%**	**312**	**+14.8%**	**670**	**542**	**+23.6%**
Cost/Income	**52.4%**	**53.1%**	**-0.7 pt**	**55.9%**	**-3.5 pt**	**54.1%**	**54.7%**	**-0.6 pt**
Allocated Equity (€bn, year to date)						8.0	7.8	+1.4%

At constant scope and exchange rates vs. 1H21

- **Revenues: +1.4%**, increase driven by volumes and the marked recovery in production; +4.1% at historical scope and exchange rates, with the consolidation of 50% of Floa, effective 01.02.22
- **Operating expenses: +0.7%**, increase driven by support to business development; +3.0% at historical scope and exchange rates; a positive jaws effect (+0.6 pt)
- **Pre-tax income: +19.9%**, increase driven mainly by higher GOI and the strong decrease in the cost of risk

CPBS – Specialised Businesses – Personal Finance
Volumes and risks

Average outstandings (€bn)	2Q22	%Var/2Q21 historical	%Var/2Q21 at constant scope and exchange rates	%Var/1Q22 historical	%Var/1Q22 at constant scope and exchange rates	1H22	%Var/1H21 historical	%Var/1H21 at constant scope and exchange rates
TOTAL CONSOLIDATED OUTSTANDINGS	93.8	+2.7%	+1.3%	+1.2%	+0.7%	93.2	+2.3%	+1.1%
TOTAL OUTSTANDINGS UNDER MANAGEMENT (1)	108.9	+4.3%	+1.2%	+1.1%	+0.5%	108.3	+4.1%	+1.1%

(1) Including 100% of outstandings of subsidiaries not fully owned as well as of all partnerships

- **Cost of risk / outstandings**

Annualised cost of risk / outstandings as at beginning of period	2Q21	3Q21	4Q21	1Q22	2Q22
France	0.35%	1.04%	1.41%	1.13%	1.70%
Italy	1.05%	1.28%	0.70%	1.64%	1.56%
Spain	4.54%	1.88%	2.37%	1.40%	1.56%
Other Western Europe	1.15%	1.08%	1.57%	0.98%	0.77%
Eastern Europe	2.47%	1.00%	1.51%	1.25%	-0.35%
Brazil	7.49%	5.79%	7.05%	6.61%	6.11%
Others	2.14%	1.75%	1.67%	1.73%	0.75%
Personal Finance	**1.47%**	**1.30%**	**1.50%**	**1.34%**	**1.29%**

CPBS – Specialised Businesses – 1H22
Arval & Leasing Solutions

€m	2Q22	2Q21	2Q22 / 2Q21	1Q22	2Q22 / 1Q22	1H22	1H21	1H22 / 1H21
Arval & Leasing Solutions								
Revenues	**895**	**670**	**+33.6%**	**811**	**+10.3%**	**1,705**	**1,308**	**+30.4%**
Operating Expenses and Dep.	-341	-319	+6.9%	-366	-6.8%	-707	-657	+7.7%
Gross Operating Income	**553**	**350**	**+57.9%**	**445**	**+24.4%**	**998**	**651**	**+53.3%**
Cost of Risk	-49	-34	+44.3%	-30	+63.3%	-79	-66	+19.9%
Operating Income	**505**	**317**	**+59.4%**	**415**	**+21.6%**	**920**	**586**	**+57.0%**
Share of Earnings of Equity-Method Entities	1	1	+54.7%	4	-80.9%	5	2	n.s.
Other Non Operating Items	40	0	n.s.	0	n.s.	40	0	n.s.
Pre-Tax Income	**545**	**317**	**+72.0%**	**419**	**+30.1%**	**965**	**588**	**+64.1%**
Cost/Income	38.1%	47.7%	-9.6 pt	45.1%	-7.0 pt	41.5%	50.2%	-8.7 pt
Allocated Equity (€bn, year to date)						3.4	3.3	+2.3%

- **Revenues: +30.4% vs. 1H21**
  - Very good performance at Arval driven by organic growth in the financed fleet and high used car prices
  - Good increase at Leasing Solutions, driven by higher outstandings
- **Operating expenses: +7.7% vs. 1H21**
  - Growth at marginal cost with improved productivity
  - Overwhelmingly positive jaws effect (+22.7 pts)
- **Pre-tax income: +64.1% vs. 1H21** (reminder: impact of the effect induced by the hyperinflation situation in Turkey in 2Q22 on Other non-operating items – see details on slide 64)

CPBS – Specialised Businesses
Arval & Leasing Solutions

Arval

Average outstandings (€bn)	2Q22	%Var/2Q21 historical	%Var/2Q21 at constant scope and exchange rates	%Var/1Q22 historical	%Var/1Q22 at constant scope and exchange rates	1H22	%Var/1H21 historical	%Var/1H21 at constant scope and exchange rates
Consolidated Outstandings	26.2	+9.2%	+9.0%	+2.4%	+2.3%	25.9	+9.5%	+9.3%
Financed vehicles ('000 of vehicles)	1,501	+5.9%	+5.9%	+1.1%	+1.1%	1,492	+6.2%	+6.2%

- **Consolidated outstandings: +9.0%[1] vs. 2Q21**, good growth in all geographic regions
- **Financed fleet: +5.9% vs. 2Q21**, very good marketing drive

Leasing Solutions

Average outstandings (€bn)	2Q22	%Var/2Q21 historical	%Var/2Q21 at constant scope and exchange rates	%Var/1Q22 historical	%Var/1Q22 at constant scope and exchange rates	1H22	%Var/1H21 historical	%Var/1H21 at constant scope and exchange rates
Consolidated Outstandings	22.4	+3.0%	+3.6%	+1.1%	+1.5%	22.2	+3.5%	+3.9%

- Reminder: restatement of 2021 outstandings related to the integration of an activity
- **Consolidated outstandings: +3.6%[1] vs. 2Q21**, good resistance of sales & marketing drive

1. At constant scope and exchange rates

CPBS – Specialised Businesses – 1H22
New Digital Businesses and Personal Investors

€m	2Q22	2Q21	2Q22 / 2Q21	1Q22	2Q22 / 1Q22	1H22	1H21	1H22 / 1H21
New Digital Businesses & Personal Investors (including 100% of Private Banking in Germany)[1]								
Revenues	**217**	**180**	**+20.0%**	**205**	**+5.5%**	**422**	**383**	**+10.1%**
Operating Expenses and Dep.	-139	-122	+14.4%	-132	+5.4%	-271	-240	+12.9%
Gross Operating Income	**77**	**59**	**+31.7%**	**73**	**+5.7%**	**150**	**143**	**+5.4%**
Cost of Risk	-23	-1	n.s.	-12	+86.2%	-35	-2	n.s.
Operating Income	**54**	**58**	**-5.9%**	**61**	**-10.6%**	**115**	**140**	**-17.9%**
Share of Earnings of Equity-Method Entities	-2	-3	-21.5%	-3	-7.1%	-5	-6	-22.6%
Other Non Operating Items	1	0	n.s.	0	n.s.	1	0	n.s.
Pre-Tax Income	**53**	**55**	**-4.1%**	**58**	**-9.8%**	**111**	**134**	**-17.3%**
Income Attributable to Wealth and Asset Management	0	0	-0.1%	-1	-37.2%	-1	-1	-2.8%
Pre-Tax Income of New Digital Businesses & Personal Investors	**52**	**54**	**-4.1%**	**58**	**-9.5%**	**110**	**133**	**-17.4%**
Cost/Income	**64.3%**	**67.5%**	**-3.2 pt**	**64.4%**	**-0.1 pt**	**64.3%**	**62.7%**	**+1.6 pt**
Allocated Equity (€bn, year to date; including 2/3 of Private Banking in Germany)						0.5	0.3	+35.5%

1. Including 100% of Private Banking in Germany for the Revenues to Pre-tax Income line items

- **Revenues[1]: +10.1% vs. 1H21**
  - Strong expansion at Nickel and consolidation of 50% of Floa's contribution (reminder: consolidation effective since 01.02.22)
  - Decrease at Personal Investors in an unfavourable market context
- **Operating expenses[1]: +12.9% vs. 1H21,** increase driven by development and start-up costs in new digital businesses
- **Pre-tax income[2]: -17.4% vs. 1H21,** effect of Floa's integration on the cost of risk

1. Including 100% of Private Banking in Germany; 2. Including 2/3 of Private Banking in Germany

CPBS – Specialised Businesses – 1H22
New Digital Businesses and Personal Investors

Nickel

- 2.7 million accounts opened[1] as of the end of June 2022 (+26.5% vs. 30.06.21)

Floa

- Consolidation of 50% of Floa, effective 01.02.22
- **4.0 million customers as of the end of June 2022** (+27.4% vs. 30.06.21)

Personal Investors

Average outstandings (€bn)	2Q22	%Var/2Q21	%Var/1Q22	1H22	%Var/1H21
LOANS	0.6	+19.0%	+22.9%	0.6	+3.3%
DEPOSITS	30.6	+12.6%	+1.0%	30.5	+14.3%

€bn	30.06.22	%Var/ 30.06.21	%Var/ 31.03.22
ASSETS UNDER MANAGEMENT	147.2	-6.2%	-9.4%
European Customer Orders (millions)	10.1	+0.8%	-22.1%

- **Deposits: +12.6% vs. 2Q21**, a good level of external asset inflows
- **Assets under management: -6.2% vs. 30.06.21,** decrease driven by financial markets performance
- **Stabilisation of retail orders at a high level** (+0.8% vs. 30.06.21) in connection with the current economic context

1. Since inception in France and Spain

IPS – Investment & Protection Services – 1H22

€m	2Q22	2Q21	2Q22 / 2Q21	1Q22	2Q22 / 1Q22	1H22	1H21	1H22 / 1H21
Investment & Protection Services								
Revenues	**1,723**	**1,686**	**+2.2%**	**1,650**	**+4.5%**	**3,373**	**3,338**	**+1.0%**
Operating Expenses and Dep.	-1,068	-1,001	+6.7%	-1,051	+1.7%	-2,119	-2,016	+5.1%
Gross Operating Income	**655**	**684**	**-4.3%**	**599**	**+9.3%**	**1,254**	**1,322**	**-5.1%**
Cost of Risk	-6	-3	+91.2%	-7	-16.2%	-13	-8	+56.8%
Operating Income	**649**	**681**	**-4.7%**	**592**	**+9.6%**	**1,241**	**1,314**	**-5.5%**
Share of Earnings of Equity-Method Entities	66	38	+73.8%	52	+27.4%	118	82	+43.1%
Other Non Operating Items	13	2	n.s.	39	-65.1%	52	98	-47.0%
Pre-Tax Income	**729**	**721**	**+1.1%**	**683**	**+6.7%**	**1,411**	**1,495**	**-5.6%**
Cost/Income	62.0%	59.4%	+2.6 pt	63.7%	-1.7 pt	62.8%	60.4%	+2.4 pt
Allocated Equity (€bn, year to date)						10.0	11.6	-14.0%

- **Revenues: +1.0% vs. 1H21**
  - Impact of market decrease on Insurance revenues, offset partially by capital gains
  - Increase in Wealth Management and Real Estate revenues
  - Asset Management[1] revenues almost unchanged in a highly unfavourable market environment
- **Operating expenses: +5.1% vs. 1H21**
  - Increase driven by business development and targeted initiatives
- **Pre-tax income: -5.6% vs. 1H21**
  - Increase in contribution at associates and capital gains on sale in 2Q22
  - High comparison basis of "Other non-operating items" in 1H21 due to a sale in Asset Management

1. Including Principal Investments

IPS – Insurance – 1H22

€m	2Q22	2Q21	2Q22 / 2Q21	1Q22	2Q22 / 1Q22	1H22	1H21	1H22 / 1H21
Insurance								
Revenues	**787**	**767**	**+2.7%**	**721**	**+9.1%**	**1,508**	**1,558**	**-3.2%**
Operating Expenses and Dep.	-396	-367	+7.8%	-384	+3.1%	-780	-750	+4.0%
Gross Operating Income	**391**	**399**	**-2.1%**	**337**	**+16.0%**	**728**	**808**	**-9.9%**
Cost of Risk	-1	-1	+29.7%	0	n.s.	-1	0	n.s.
Operating Income	**390**	**399**	**-2.1%**	**337**	**+15.9%**	**727**	**808**	**-10.0%**
Share of Earnings of Equity-Method Entities	48	25	+91.2%	36	+35.3%	84	58	+44.6%
Other Non Operating Items	14	0	n.s.	1	n.s.	15	0	n.s.
Pre-Tax Income	**453**	**424**	**+6.8%**	**373**	**+21.4%**	**826**	**866**	**-4.6%**
Cost/Income	**50.3%**	**47.9%**	**+2.4 pt**	**53.3%**	**-3.0 pt**	**51.7%**	**48.1%**	**+3.6 pt**
Allocated Equity (€bn, year to date)						7.2	9.1	-21.3%

- **Technical reserves: +0.2% vs. 1H21**
- **Revenues: -3.2% vs. 1H21**
  - Good performance in Savings and increase in Protection revenues
  - Impact of financial markets declines on financial result, partly offset by capital gains
- **Operating expenses: +4.0% vs. 1H21**, driven by support for business development and ongoing targeted projects
- **Pre-tax income: -4.6% vs. 1H21,** increase in the contribution of associates and capital gains on the sale of businesses in 2Q22

IPS – Wealth and Asset Management – 1H22

€m	2Q22	2Q21	2Q22 / 2Q21	1Q22	2Q22 / 1Q22	1H22	1H21	1H22 / 1H21
Wealth and Asset Management								
Revenues	**936**	**919**	**+1.9%**	**929**	**+0.8%**	**1,865**	**1,780**	**+4.8%**
Operating Expenses and Dep.	-672	-634	+6.0%	-667	+0.9%	-1,339	-1,266	+5.7%
Gross Operating Income	**264**	**285**	**-7.4%**	**262**	**+0.7%**	**526**	**514**	**+2.4%**
Cost of Risk	-5	-2	n.s.	-7	-23.6%	-12	-8	+48.8%
Operating Income	**259**	**282**	**-8.4%**	**255**	**+1.3%**	**514**	**506**	**+1.6%**
Share of Earnings of Equity-Method Entities	18	13	+39.4%	16	+10.0%	34	24	+39.5%
Other Non Operating Items	-1	2	n.s.	38	n.s.	37	98	-62.2%
Pre-Tax Income	**276**	**297**	**-7.2%**	**310**	**-11.0%**	**585**	**628**	**-6.9%**
Cost/Income	**71.8%**	**69.0%**	**+2.8 pt**	**71.8%**	**+0.0 pt**	**71.8%**	**71.1%**	**+0.7 pt**
Allocated Equity (€bn, year to date)						2.8	2.5	+12.6%

- **Revenues: +4.8% vs. 1H21**
  - Very good performance by Wealth Management
  - Asset Management[1] revenues almost unchanged despite a highly unfavourable market environment in 2Q22
  - Steep rise in Real Estate revenues, particularly in Advisory
- **Operating expenses: +5.7% vs. 1H21**
  - Support for business development
- **Pre-tax income: -6.9% vs. 1H21,** a high basis of comparison in 1H21 with the capital gain on a sale of an Asset Management stake in 1Q21

1. Including Principal Investments

IPS – Insurance and WAM[1]

Business activity

€bn	30.06.22	30.06.21	%Var/ 30.06.21	31.03.22	%Var/ 31.03.22
Assets under management (€bn)	1,197.6	1,204.6	-0.6%	1,244.1	-3.7%
Insurance	255.2	274.4	-7.0%	270.4	-5.6%
Wealth Management	411.4	411.4	-0.0%	420.6	-2.2%
AM+RE+PI	531.0	518.8	+2.4%	553.2	-4.0%
Asset Management	499.7	489.4	+2.1%	522.2	-4.3%
Real Estate Services	30.4	28.8	+5.4%	30.1	+1.1%
Principal Investment	0.9	0.5	+77.2%	0.9	-0.8%

	2Q22	2Q21	%Var/ 2Q21	1Q22	%Var/ 1Q22
Net asset flows (€bn)	9.0	12.1	-25.2%	0.0	n.s.
Insurance	1.7	1.6	+1.1%	2.6	-36.3%
Wealth Management	6.7	4.8	+39.7%	3.6	+85.7%
AM+RE+PI	0.7	5.7	-87.2%	-6.2	n.s.
Asset Management	0.4	5.3	-91.9%	-6.7	n.s.
Real Estate Services	0.3	0.4	-30.5%	0.5	-41.9%
Principal Investment	0.0	0.0	n.s.	0.0	n.s.

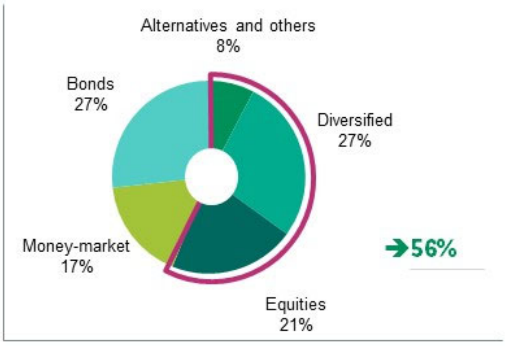
- **Assets under management: -€46.5bn vs. 31.03.22, including**
  - **Performance impact:** -€64.0bn, very unfavourable due to financial markets evolution
  - **Net asset inflows:** +€9.0bn, very good net asset inflows in Wealth Management, good net asset inflows in Insurance and positive net inflows in 2Q22 in Asset Management driven by net inflows into medium- and long-term vehicles partly offsetting the outflows from money-market funds
  - **Forex impact:** +€6.8bn, with the depreciation of euro

1. Wealth Management, Asset Management, Real Estate and Principal Investments

IPS – Insurance and WAM[1]

Insurance and WAM
Breakdown in assets by client segment

Asset Management
Breakdown in AuM as at 30.06.22



€500bn

1. Wealth Management, Asset Management, Real Estate and Principal Investments

Corporate centre – 2Q22

€m	2Q22	2Q21	2Q22 / 2Q21	1Q22	2Q22 / 1Q22	1H22	1H21	1H22 / 1H21
Corporate Center								
Revenues	**-50**	**79**	**n.s.**	**66**	**n.s.**	**16**	**322**	**-95.1%**
Operating Expenses and Dep.	-168	-217	-22.6%	-511	-67.2%	-679	-461	+47.4%
Incl. Restructuring, IT Reinforcement and Adaptation Costs	*-110*	*-71*	*+54.1%*	*-76*	*+45.1%*	*-185*	*-148*	*+24.8%*
Gross Operating Income	**-218**	**-138**	**+57.9%**	**-445**	**-51.1%**	**-663**	**-138**	**n.s.**
Cost of Risk	-63	-67	-6.9%	-54	+16.4%	-117	-121	-3.8%
Operating Income	**-281**	**-205**	**+36.7%**	**-499**	**-43.8%**	**-780**	**-260**	**n.s.**
Share of Earnings of Equity-Method Entities	19	-20	n.s.	23	-17.0%	41	0	n.s.
Other Non Operating Items	-66	298	n.s.	-43	+56.0%	-109	589	n.s.
Pre-Tax Income	**-328**	**73**	**n.s.**	**-519**	**-36.8%**	**-847**	**330**	**n.s.**
Allocated Equity (€bn, year to date)						3.5	4.3	-16.7%

- **Reminder: Scope excluding Principal Investments, which is included in IPS**
- **Operating expenses**
  - Restructuring and adaptation costs[1]: €28m (€24m in 2Q21)
  - IT reinforcement costs: €82m (€47m in 2Q21)
- **Other non-operating items**
  - Impairments: €57m
  - 2Q21 reminder: capital gain on the sale of shares (of which Allfunds[2] for +€300m)

1. Mainly at CIB, CPB and Wealth Management; 2. Disposal of 6.7% stake in Allfunds

Corporate centre – 1H22

- **Reminder: Scope excluding Principal Investments, which is included in IPS**
- **Revenues**
  - Revaluation of proprietary credit risk included in derivatives (DVA) (+€108m), offset by a negative non-recurring item in 1Q22
  - Reminder from 1H21: +€58m capital gain on the sale of 4.99% in SBI Life
- **Operating expenses**
  - Increase in taxes subject to IFRIC 21[1] in 1Q22
  - Restructuring and adaptation costs[2]: €54m (€82m in 1H21)
  - IT reinforcement costs: €132m (€66m in 1Q21)
- **Other non-operating items**
  - Badwill (bpost banque): +€244m
  - Capital gain on the sale of a stake: +€204m
  - Impairment (Ukrsibbank): -€159m
  - Reclassification to profit and loss of exchange differences (Ukrsibbank)[3]: -€274m
  - Reminder from 1H21:
    - Capital gain on the sale of buildings (exceptional item): +€302m (+€464m in 1H20)
    - Capital gain on the sale of shares (of which +€300m on Allfunds[4] (exceptional item))

1. Booking in 1Q of almost the entire amount of taxes and contributions for the year, based on the application of IFRIC 21 "Taxes", including the estimated contribution to the Single Resolution Fund; 2. Related in particular to CIB, CPB and Wealth Management; 3. Previously recorded in Consolidated Equity; 4. Disposal of 6.7% stake in Allfunds

GROUP RESULTS

DIVISION RESULTS

CONCLUSION

1H22 & 2Q22 DETAILED RESULTS

APPENDICES

Number of Shares and Earnings per Share

Number of Shares

in millions	30-Jun-22	30-Jun-21
Number of Shares (end of period)	1,234	1,250
Number of Shares excluding Treasury Shares (end of period)	1,232	1,249
Average number of Shares outstanding excluding Treasury Shares	1,233	1,248

Reminder: cancellation of 15,466,915 shares acquired under BNP Paribas' share buyback, which was executed between 1 November 2021 and 6 December 2021

Earnings per Share

in millions	30-Jun-22	30-Jun-21
Average number of Shares outstanding excluding Treasury Shares	**1,233**	**1,248**
Net income attributable to equity holders	5,285	4,679
Remuneration net of tax of Undated Super Subordinated Notes	-183	-217
Exchange rate effect on reimbursed Undated Super Subordinated Notes	-123	-18
Net income attributable to equity holders, after remuneration and exchange rate effect on Undated Super Subordinated Notes	**4,979**	**4,444**
Net Earnings per Share (EPS) in euros	**4.04**	**3.56**

Capital Ratios and Book Value Per Share

Capital Ratios

	30-Jun-22	31-Dec-21	30-Jun-21
Total Capital Ratio (a)	15.7%	16.4%	16.5%
Tier 1 Ratio (a)	13.2%	14.0%	14.2%
Common equity Tier 1 ratio (a)	12.2%	12.9%	12.9%

(a) CRD4, on risk-weighted assets of €756bn as at 30.06.22, €714bn as at 31.12.21 and €705bn as at 30.06.21; refer to slide 89

Book value per Share

in millions of euros	30-Jun-22	30-Jun-21	
Shareholders' Equity Group share	**115,945**	**115,991**	(1)
of which changes in assets and liabilities recognised directly in equity (valuation reserve)	-594	86	
of which Undated Super Subordinated Notes	7,853	9,211	(2)
of which remuneration net of tax payable to holders of Undated Super Subordinated Notes	101	104	(3)
Net Book Value (a)	**107,991**	**106,676**	(1)-(2)-(3)
Goodwill and intangibles	11,926	11,352	
Tangible Net Book Value (a)	**96,065**	**95,324**	
Number of Shares excluding Treasury Shares (end of period) in millions	**1,232**	**1,249**	
Book Value per Share (euros)	**87.6**	**85.4**	
of which book value per share excluding valuation reserve (euros)	*88.1*	*85.3*	
Net Tangible Book Value per Share (euros)	**78.0**	**76.3**	

(a) Excluding Undated Super Subordinated Notes and remuneration net of tax payable to holders of Undated Super Subordinated Notes

Return on Equity and Permanent Shareholders' Equity

Calculation of Return on Equity

in millions of euros	30-Jun-22	30-Jun-21	
Net income Group share	**5,285**	**4,679**	(1)
Exceptional items (after tax) (a)	-124	399	(2)
of which exceptional items (not annualised)	11	504	(3)
of which IT reinforcement and restructuring costs (annualised)	-135	-105	(4)
Contribution to the Single Resolution Fund (SRF) and levies after tax	-1,637	-1,265	(5)
Net income Group share, not revaluated (exceptional items, contribution to SRF and taxes not annualised) (b)	**12,466**	**10,329**	(6)
Remuneration net of tax of Undated Super Subordinated Notes and exchange effect	-505	-429	
Impact of annualised IT reinforcement and restructuring costs	-270	-210	
Net income Group share used for the calculation of ROE/ROTE (c)	**11,691**	**9,690**	
Average permanent shareholders' equity, not revaluated, used for the ROE calculation (d)	**106,270**	**102,589**	
Return on Equity (ROE)	**11.0%**	**9.4%**	
Average tangible permanent shareholders' equity, not revaluated, used for the ROTE calculation (e)	**94,533**	**91,217**	
Return on Tangible Equity (ROTE)	**12.4%**	**10.6%**	

(a) See slide 43; (b) Annualised adjusted net income Group share as at 30 June 2022, (6)=2[(1)-(2)-(5)]+(3)+(5); (c) Annualised Group share as at 30 June 2022; (d) Average Permanent shareholders' equity: average of beginning of the year and end of the period including in particular annualised net income as at 30 June 2022 with exceptional items and contribution to SRF and taxes not annualised (Permanent Shareholders' equity = Shareholders' equity attributable to shareholders – changes in assets and liabilities recognised directly in equity - Undated Super Subordinated Notes - remuneration net of tax payable to holders of Undated Super Subordinated Notes - dividend distribution assumption); (e) Average Tangible permanent shareholders' equity: average of beginning of the year and end of the period including in particular annualised net income as at 30 June 2022 with exceptional items and contribution to SRF and taxes not annualised (Tangible permanent shareholders' equity = permanent shareholders' equity - intangible assets - goodwill)*

Permanent Shareholders' Equity Group share, not revaluated, used for the calculation of ROE / ROTE

in millions of euros	30-Jun-22	30-Jun-21	
Net Book Value	**107,991**	**106,676**	(1)
of which changes in assets and liabilities recognised directly in equity (valuation reserve)	-594	86	(2)
of which 2020 dividend distribution project		1,936	(3)
of which 2021 dividend distribution project		4,846	(4)
of which 2022 net income distribution project	6,581		(5)
Annualisation of restated result (a)	6,911	5,440	(6)
Restatement of remuneration of Undated Super Subordinated Notes for the annualised calculation	-199	3	(7)
Permanent shareholders' equity, not revaluated, used for the calculation of ROE (b)	**108,716**	**105,251**	(1)-(2)-(3)-(4)-(5)+(6)+(7)
Goodwill and intangibles	11,926	11,352	
Tangible permanent shareholders' equity, not revaluated, used for the calculation of ROTE (b)	**96,790**	**93,899**	
Average permanent shareholders' equity, not revaluated, used for the ROE calculation (c)	**106,270**	**102,589**	
Average tangible permanent shareholders' equity, not revaluated, used for the ROTE calculation (d)	**94,533**	**91,217**	

(a) 1H Net income Group share excluding exceptional items but including IT reinforcement, adaptation and restructuring costs and excluding contribution to SRF and levies after tax; (b) Excluding Undated Super Subordinated Notes, remuneration net of tax payable to holders of Undated Super Subordinated Notes, and including the assumptions of distribution of net income; (c) Average Permanent shareholders' equity: average of beginning of the year and end of the period including in particular annualised net income as at 30 June 2022 with exceptional items and contribution to SRF and taxes not annualised (Permanent Shareholders' equity = Shareholders' equity attributable to shareholders - changes in assets and liabilities recognised directly in equity - Undated Super Subordinated Notes - remuneration net of tax payable to holders of Undated Super Subordinated Notes - dividend distribution assumption); (d) Average Tangible permanent shareholders' equity: average of beginning of the year and end of the period including in particular annualised net income as at 30 June 2022 with exceptional items and contribution to SRF and taxes not annualised (Tangible permanent shareholders' equity = permanent shareholders' equity - intangible assets - goodwill)

A Solid Financial Structure

Doubtful loans/gross outstandings

	30-Jun-22	30-Jun-21
Doubtful loans (a) / Loans (b)	1.8%	2.1%

(a) Impaired loans (stage 3) to customers and credit institutions, not netted of guarantees, including on-balance sheet and off-balance sheet and debt securities measured at amortized costs or at fair value through shareholders' equity; (b) Gross loans outstanding to customers and credit institutions, on-balance sheet and off-balance sheet and including debt securities measured at amortized costs or at fair value through shareholders' equity (excluding insurance)

Coverage ratio

€bn	30-Jun-22	30-Jun-21
Allowance for loan losses (a)	15.1	16.8
Doubtful loans (b)	20.7	23.6
Stage 3 coverage ratio	73.2%	71.3%

(a) Stage 3 provisions; (b) Impaired loans (stage 3) to customers and credit institutions, on-balance sheet and off-balance sheet, netted of guarantees received, including debt securities measured at amortized costs or at fair value through shareholders' equity (excluding insurance)

Common Equity Tier 1 ratio

Basel 3 Common Equity Tier 1 ratio[1]
(Accounting capital to prudential capital reconciliation)

€bn	30-Jun-22	31-Mar-22
Consolidated Equity	**120.5**	**123.6**
Undated super subordinated notes	-7.9	-8.6
2021 net income distribution project	0.0	-4.5
2022 net income distribution project	-2.8	-1.0
Regulatory adjustments on equity[2]	-1.8	-1.5
Regulatory adjustments on minority interests	-2.8	-3.0
Goodwill and intangible assets	-10.6	-10.3
Deferred tax assets related to tax loss carry forwards	-0.2	-0.3
Other regulatory adjustments	-1.3	-1.2
Deduction of irrevocable payments commitments	-1.1	-1.1
Common Equity Tier One capital	**92.0**	**92.1**
Risk-weighted assets	**756**	**745**
Common Equity Tier 1 Ratio	**12.2%**	**12.4%**

1. CRD4; 2. Including Prudent Valuation Adjustment and IFRS 9 transitional provisions

Medium/Long Term Regulatory Funding

Continued presence in debt markets

2022 MLT regulatory issuance plan[1]: ~€ 20.5bn

- **Capital instruments: ~€5.5bn; (including €2-3bn AT1); €3.5bn already issued[2] of which the following main benchmark trades:**
  - **AT1**: $1.25bn priced on 05.01.22, PerpNC5[3], at 4.625% (sa, 30/360) ; equiv. 5Y US Treasuries+320 bps
  - **Tier 2**: SGD350m priced on 15.02.22, 10NC5[4], at 3.125% (sa, Act/365) ; equiv. 5Y mid-swap SORA-OIS+140 bps
  - **Tier 2**: €1.50bn priced on 25.03.22, 10NC5[4], 2.5% (a, Act/Act), equiv. mid-swap€+160 bps
  - **Tier 2**: SGD300m priced on 04.07.22, 10NC5[4], at 5.25% (sa, Act/365) ; equiv. 5Y mid-swap SORA-OIS+275 bps

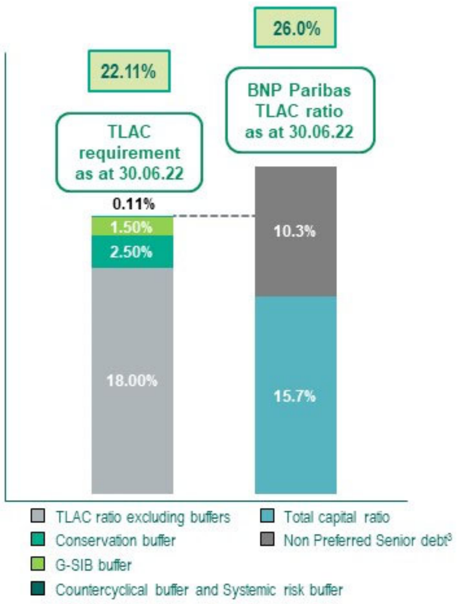
- **Non Preferred Senior debt: ~ €15bn; €10.3bn already issued[2] of which the following main benchmark trades:**
  - €1.50bn priced on 04.01.22, 8.5NC7.5[5], at mid-swap€+83 bps
  - CHF220m priced on 06.01.22, 6NC5[6], at CHF mid-swap+68 bps
  - Dual tranche priced on 12.01.22:
    - $1.75bn, 6NC5[6], at US Treasuries+110 bps
    - $1.25bn, 11NC10[7], at US Treasuries+140 bps
  - A$525m priced on 17.02.22, dual tranche fixed rate and floating rate notes, 6NC5[6], at 3M BBSW+150 bps
  - £450m priced on 17.02.22, 7Y bullet, at UK Gilt+155 bps
  - €1.50bn priced on 31.03.22, 10Y bullet, at mid-swap€+90 bps
  - €1.50bn priced on 18.05.22, 6.2NC5.2[8], at mid-swap€+137 bps

2/3 of the regulatory issuance plan realised as of 21 July 2022

1. Subject to market conditions, indicative amounts; 2. As of 21 July 2022, € valuation based on historical FX rates for cross-currency swapped issuances and on 30 June 2022 for other issuances; 3. Perpetual, callable on year 5, and every 5 year thereafter; 4. 10-year maturity callable on year 5 only; 5. 8.5-year maturity callable on year 7.5 only; 6. 6-year maturity callable on year 5 only; 7. 11-year maturity callable on year 10 only; 8. 6.2-year maturity callable on year 5.2 only

TLAC ratio: ~390bps above the requirement without calling on the Preferred Senior debt allowance

- **TLAC requirement as at 30.06.22: 22.11% of RWA**
  - Including capital conservation buffer, G-SIB buffer, countercyclical capital buffer (3 bps as of 2Q22) and systemic risk buffer[1] (8 bps as of 2Q22)
- **TLAC requirement as at 30.06.22: 6.75% of leverage ratio exposure**
- **BNP Paribas TLAC ratio as at 30.06.22[2]**
  - ✓ **26.0% of RWA**:
    - ✓ 15.7% total capital as at 30 June 2022
    - ✓ 10.3% of Non Preferred Senior debt[3]
    - ✓ Without calling on the Preferred Senior debt allowance
  - ✓ **7.4% of leverage ratio exposure**

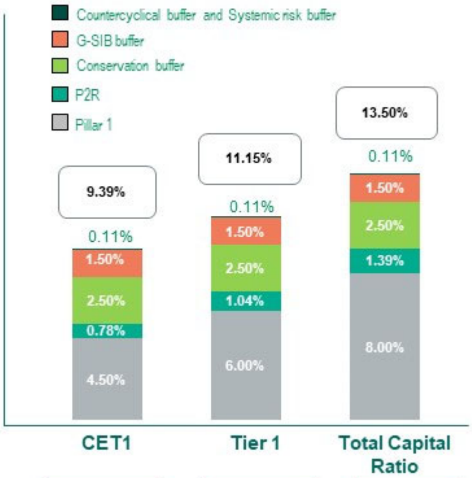


1. Systemic risk buffer at Group level resulting from additional capital requirement for mortgage portfolios in Belgium, replacing former add-on on RWA, with an overall neutral impact; 2. In accordance with Regulation (EU) No.575/2013 as amended by Regulation (EU) No. 2019/876, Article 72b paragraphs 3 and 4, some Preferred Senior debt instruments (amounting to 9,568 million euros as at 30 June 2022) are eligible within the limit of 3.5% of risk-weighted assets; BNP Paribas did not use this option as at 30 June 2022; 3. Principal amount outstanding and other regulatory adjustments, including amortised portion of Tier 2 instruments with residual maturity over 1 year

Distance to MDA restrictions

- **Reminder: Pillar 2 is composed of:**
  - "Pillar 2 Requirement" (public), applicable to CET1, Tier 1 and Total Capital ratios
  - "Pillar 2 Guidance" (not public), not applicable for distributable amount restrictions (MDA – Maximum Distributable Amount)
- **Capital requirements as at 30.06.22[1]:**
  - CET1: 9.39%
  - Tier 1: 11.15%
  - Total Capital: 13.50%
- **MREL requirement as at 30.06.22 :**
  - Distance to possible M-MDA restrictions: in force since 01.01.22 but not constraining, as higher than the distance to MDA restrictions
- **Distance as at 30.06.22 to Maximum Distributable Amount restrictions[2] equal to the lowest of the calculated amounts: €15.4bn**

Capital requirements as at 30.06.22[2]



	CET1	Tier 1	Total Capital Ratio
BNP Paribas Capital ratios as of 30 June 2022	12.2%	13.2%	15.7%
Distance[3] as of 30 June 2022 to Maximum Distributable Amount restrictions[2]	280 bps €21.0bn	205 bps €15.4bn	220 bps €16.6bn

1. Including a countercyclical capital buffer of 3 bps and a systemic risk buffer of 8 bps; 2. As defined by the Article 141 of CRD4; 3. Calculated on the basis of €756bn RWA as of 30.06.22

Variation in the Cost of Risk by Business Unit (1/2)

Cost of risk/Customer loans at the beginning of the period (in annualised bp)

	2019	2020	1Q21	2Q21	3Q21	4Q21	2021	1Q22	2Q22
Commercial, Personal Banking & Services[1]									
Loan outstandings as of the beg. of the quarter (€bn)	603.3	620.6	625.0	624.4	629.7	633.5	628.2	643.1	659.1
Cost of risk (€m)	2,922	4,212	668	694	639	597	2,598	401	645
Cost of risk (in annualised bp)	48	68	43	44	41	38	41	25	39
Commercial & Personal Banking in the Euro Zone[1]									
Loan outstandings as of the beg. of the quarter (€bn)	391.1	408.1	421.0	420.8	426.6	429.9	424.6	437.5	448.6
Cost of risk (€m)	883	1,268	281	249	288	211	1,030	198	187
Cost of risk (in annualised bp)	23	31	27	24	27	20	24	18	17
CPBF[1]									
Loan outstandings as of the beg. of the quarter (€bn)	190.4	202.2	212.5	212.9	215.7	214.7	214.0	218.3	221.0
Cost of risk (€m)	329	496	125	101	115	99	441	93	64
Cost of risk (in annualised bp)	17	25	24	19	21	19	21	17	12
BNL bc[1]									
Loan outstandings as of the beg. of the quarter (€bn)	77.2	76.6	78.9	77.5	78.2	80.5	78.8	81.5	79.1
Cost of risk (€m)	490	525	110	105	130	143	487	128	110
Cost of risk (in annualised bp)	64	69	56	54	67	71	62	63	55
CPBB[1]									
Loan outstandings as of the beg. of the quarter (€bn)	113.0	117.8	117.9	118.4	120.5	122.5	119.8	125.0	135.8
Cost of risk (€m)	55	230	47	45	36	-28	99	-17	16
Cost of risk (in annualised bp)	5	19	16	15	12	-9	8	-6	5

1. With Private Banking at 100%

Variation in the Cost of Risk by Business Unit (2/2)

Cost of risk/Customer loans at the beginning of the period (in annualised bp)

	2019	2020	1Q21	2Q21	3Q21	4Q21	2021	1Q22	2Q22
Commercial & Personal Banking outside the Euro Zone[1]									
Loan outstandings as of the beg. of the quarter (€bn)	95.8	95.3	86.9	86.9	85.8	87.1	86.7	87.2	89.2
Cost of risk (€m)	547	759	32	67	-8	8	99	-154	78
Cost of risk (in annualised bp)	57	80	15	31	-4	4	11	-71	35
BancWest[1]									
Loan outstandings as of the beg. of the quarter (€bn)	55.1	55.8	49.8	51.1	49.0	49.3	49.8	50.6	52.5
Cost of risk (€m)	148	322	-7	8	-23	-24	-45	-194	30
Cost of risk (in annualised bp)	27	58	-5	7	-19	-20	-9	-153	23
Europe-Mediterranean[1]									
Loan outstandings as of the beg. of the quarter (€bn)	40.7	39.5	37.2	35.8	36.8	37.8	36.9	36.6	36.7
Cost of risk (€m)	399	437	39	58	15	32	144	39	48
Cost of risk (in annualised bp)	98	111	42	65	17	34	39	43	53
Personal Finance									
Loan outstandings as of the beg. of the quarter (€bn)	93.5	94.4	93.1	93.4	93.5	92.5	93.1	94.0	96.0
Cost of risk (€m)	1,354	1,997	321	344	303	346	1,314	315	309
Cost of risk (in annualised bp)	145	212	138	147	130	150	141	134	129
CIB - Global Banking									
Loan outstandings as of the beg. of the quarter (€bn)	145.6	164.4	144.7	154.0	153.1	156.5	152.1	163.0	169.5
Cost of risk (€m)	223	1,308	185	64	24	-72	201	-20	85
Cost of risk (in annualised bp)	15	80	51	17	6	-18	13	-5	20
Group[2]									
Loan outstandings as of the beg. of the quarter (€bn)	827.1	867.3	846.9	866.8	873.9	883.0	867.7	903.8	942.7
Cost of risk (€m)	3,203	5,717	896	813	706	510	2,925	456	789
Cost of risk (in annualised bp)	39	66	42	38	32	23	34	20	33

1. With Private Banking at 100% 2. Including cost of risk of market activities, Investment and Protection Services and Corporate Centre

Risk-Weighted Assets

Basel 3 Risk-Weighted Assets[1]: €756bn as at 30.06.22 (€745bn as at 31.03.22)

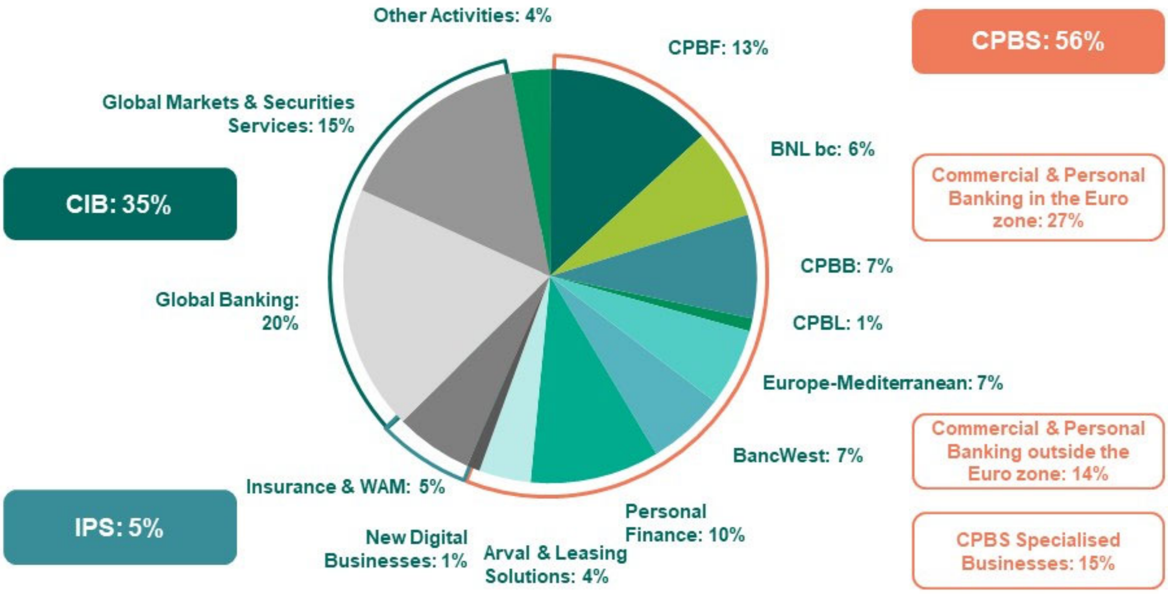
The +€11bn change is mainly explained by:

- +€7bn increase in credit risk
- +€2bn increase in counterparty risk
- +€2bn increase in securitisation positions in the banking book

bn€	30.06.22	31.03.22
Credit risk	581	574
Operational Risk	62	63
Counterparty Risk	48	47
Market vs. Foreign exchange Risk	29	29
Securitisation positions in the banking book	16	14
Others[2]	20	19
Basel 3 RWA[1]	**756**	**745**

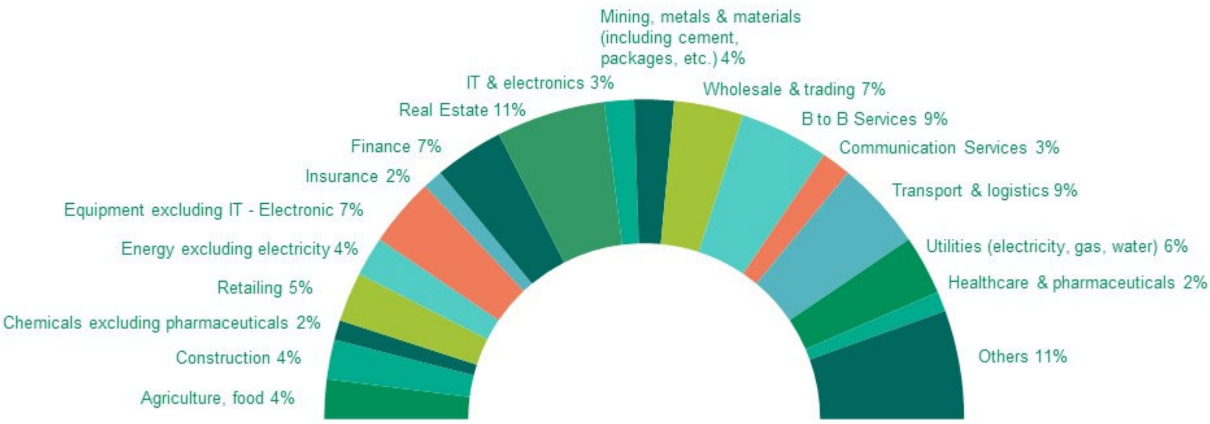
1. CRD4; 2. Including the DTAs and significant investments in entities in the financial sector subject to 250% weighting

Basel 3[1] risk-weighted assets by business as at 30.06.22



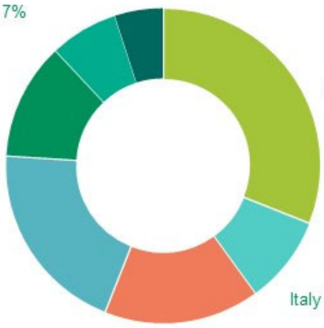
1. CRD 4

Breakdown of Commitments by Industry (Corporate Asset Class)



Total gross commitments, on and off-balance sheet, unweighted (corporate asset class) = €828bn as at 30.06.22,
or 41% of total Group exposure to credit risk (€1,999bn as at 30.06.22)

Breakdown of Commitments by Region



Total gross commitments on and off balance sheet, unweighted = €1,999bn[1] as at 30.06.22

1. Excluding Equity credit exposure class

APPLICATION OF IFRS 5 – RECONCILIATION TABLES (UNAUDITED)

On 20 December 2021, the Group announced the conclusion of an agreement with BMO Financial Group for the sale of 100% of its commercial banking activities in the United States operated by BancWest. The terms of this transaction fall within the scope of application of IFRS 5 relating to groups of assets and liabilities held for sale (see note 7.d Discontinued activities of the Consolidated Financial Statements as at 31.12.21*)* leading to the restatement of the year to 31 December 2020 to isolate the "Net income from discontinued activities" on a separate line.

Unless otherwise mentioned, the financial information and items contained in this announcement include the activity related to BancWest reflecting an operational view. Such financial information and items therefore do not reflect the effects produced by applying IFRS 5, which pertains to non-current assets and liabilities held for sale. The press release includes hereafter a reconciliation between the operational view presented without applying IFRS 5 and the consolidated financial statements based on an application of IFRS 5.

Consolidated profit and loss account as at 30 June 2022 – Reconcilation table IFRS 5

BNP PARIBAS

BNP Paribas Profit and Loss account - First half 2022

Application of IFRS 5

In millions of euros	First half 2022 *before IFRS 5*	First half 2022 *IFRS 5 impact*	First half 2022 *according to IFRS 5*	First half 2021 *before IFRS 5*	First half 2021 *IFRS 5 impact*	First half 2021 *restated according to IFRS 5*
Net interest income	11,429	(1,111)	10,318	10,822	(972)	9,850
Net commission income	5,252	(193)	5,059	5,195	(157)	5,038
Net gain on financial instruments at fair value through profit or loss	5,584	(2)	5,582	4,109	(39)	4,070
Net gain on financial instruments at fair value through equity	126	(16)	110	124	(17)	107
Net gain on derecognised financial assets at amortised cost	(5)	-	(5)	50	(37)	13
Net income from insurance activities	2,295	-	2,295	2,318	-	2,318
Net income from other activities	1,318	13	1,331	987	(19)	968
Revenues	**25,999**	**(1,309)**	**24,690**	**23,605**	**(1,241)**	**22,364**
Salary and employee benefit expense	(9,327)	554	(8,773)	(8,643)	475	(8,168)
Other operating expenses	(6,769)	303	(6,466)	(5,886)	233	(5,653)
Depreciation, amortisation and impairment of property, plant and equipment and intangible assets	(1,276)	85	(1,191)	(1,240)	79	(1,161)
Gross operating income	**8,627**	**(367)**	**8,260**	**7,836**	**(454)**	**7,382**
Cost of risk	(1,245)	(165)	(1,410)	(1,709)	2	(1,707)
Operating income	**7,382**	**(532)**	**6,850**	**6,127**	**(452)**	**5,675**
Share of earnings of equity-method entities	416	-	416	225	-	225
Net gain on non-current assets	(277)	(1)	(278)	665	(5)	660
Goodwill	258	-	258	-	-	-
Pre-tax income	**7,779**	**(533)**	**7,246**	**7,017**	**(457)**	**6,560**
Corporate income tax	(2,287)	168	(2,119)	(2,162)	89	(2,073)
Net income from discontinued activities		**365**	**365**		**368**	**368**
Net income attributable to minority interests	(207)	-	(207)	(176)	-	(176)
NET INCOME ATTRIBUTABLE TO EQUITY HOLDERS	**5,285**	**-**	**5,285**	**4,679**	**-**	**4,679**

Balance Sheet as at 30 June 2022 – Reconcilation table IFRS 5

BNP PARIBAS

BNP Paribas Balance Sheet as at 30 June 2022

Application of IFRS 5

In millions of euros	30/06/2022 *before IFRS 5*	IFRS 5 Impact	30/06/2022 *according to IFRS 5*	31/12/2021 *according to IFRS 5*
ASSETS				
Cash and balances at central banks	357,727	(5,309)	352,418	347,883
Financial instruments at fair value through profit or loss				
Securities	211,483	(645)	210,838	191,507
Loans and repurchase agreements	296,601	(26)	296,575	249,808
Derivative financial Instruments	354,330	(260)	354,070	240,423
Derivatives used for hedging purposes	15,497	-	15,497	8,680
Financial assets at fair value through equity				
Debt securities	43,440	(5,055)	38,385	38,906
Equity securities	2,285	-	2,285	2,558
Financial assets at amortised cost				
Loans and advances to credit institutions	37,515	(174)	37,341	21,751
Loans and advances to customers	911,078	(56,034)	855,044	814,000
Debt securities	137,073	(17,891)	119,182	108,510
Remeasurement adjustment on interest-rate risk hedged portfolios	(4,047)	-	(4,047)	3,005
Financial investments of insurance activities	253,163	-	253,163	280,766
Current and deferred tax assets	5,910	(401)	5,509	5,866
Accrued income and other assets	213,803	(1,649)	212,154	179,123
Equity-method investments	6,699	-	6,699	6,528
Property, plant and equipment and investment property	36,524	(454)	36,070	35,083
Intangible assets	3,892	(241)	3,651	3,659
Goodwill	8,034	(2,752)	5,282	5,121
Assets held for sale	-	90,891	90,891	91,267
TOTAL ASSETS	**2,891,007**	**-**	**2,891,007**	**2,634,444**
LIABILITIES				
Deposits from central banks	3,250	-	3,250	1,244
Financial instruments at fair value through profi t or loss				
Securities	128,819	-	128,819	112,338
Deposits and repurchase agreements	335,399	-	335,399	293,456
Issued debt securities	67,057	-	67,057	70,383
Derivative financial instruments	315,785	(325)	315,460	237,397
Derivatives used for hedging purposes	28,265	(239)	28,026	10,076
Financial liabilities at amortised cost				
Deposits from credit institutions	192,293	(551)	191,742	165,699
Deposits from customers	1,082,688	(74,027)	1,008,661	957,684
Debt securities	162,597	(148)	162,449	149,723
Subordinated debt	25,702	-	25,702	24,720
Remeasurement adjustment on interest-rate risk hedged portfolios	(14,993)	-	(14,993)	1,367
Current and deferred tax liabilities	3,135	(30)	3,105	3,103
Accrued expenses and other liabilities	199,492	(1,011)	198,481	145,399
Technical reserves and other insurance liabilities	231,779	-	231,779	254,795
Provisions for contingencies and charges	9,210	(173)	9,037	10,187
Liabilites associated with assets held for sale	-	76,504	76,504	74,366
TOTAL LIABILITIES	**2,770,478**	**-**	**2,770,478**	**2,511,937**
EQUITY				
Share capital, additional paid-in capital and retained earnings	*111,254*	-	*111,254*	*108,176*
Net income for the period attributable to shareholders	*5,285*	-	*5,285*	*9,488*
Total capital, retained earnings and net income for the period attributable to shareholders	**116,539**	**-**	**116,539**	**117,664**
Changes in assets and liabilities recognised directly in equity	(594)	-	(594)	222
Shareholders' equity	**115,945**	-	**115,945**	**117,886**
Total minority interests	**4,584**	-	**4,584**	**4,621**
TOTAL EQUITY	**120,529**	**-**	**120,529**	**122,507**
TOTAL LIABILITIES AND EQUITY	**2,891,007**	**-**	**2,891,007**	**2,634,444**

CONSOLIDATED PROFIT AND LOSS ACCOUNT

€m	2Q22	2Q21	2Q22 / 2Q21	1Q22	2Q22 / 1Q22	1H22	1H21	1H22 / 1H21
Group								
Revenues	**12,781**	**11,776**	**+8.5%**	**13,218**	**-3.3%**	**25,999**	**23,605**	**+10.1%**
incl. Interest Income	*5,695*	*5,370*	*6.1%*	*5,734*	*-0.7%*	11,429	10,822	5.6%
incl. Commissions	*2,615*	*2,640*	*-0.9%*	*2,637*	*-0.8%*	5,252	5,195	1.1%
Operating Expenses and Dep.	-7,719	-7,172	+7.6%	-9,653	-20.0%	-17,372	-15,769	+10.2%
Gross Operating Income	**5,062**	**4,604**	**+9.9%**	**3,565**	**+42.0%**	**8,627**	**7,836**	**+10.1%**
Cost of Risk	-789	-813	-3.0%	-456	+73.0%	-1,245	-1,709	-27.2%
Operating Income	**4,273**	**3,791**	**+12.7%**	**3,109**	**+37.4%**	**7,382**	**6,127**	**+20.5%**
Share of Earnings of Equity-Method Entities	251	101	n.s.	165	+52.1%	416	225	+84.9%
Other Non Operating Items	-22	302	n.s.	3	n.s.	-19	665	n.s.
Pre-Tax Income	**4,502**	**4,194**	**+7.4%**	**3,277**	**+37.4%**	**7,779**	**7,017**	**+10.9%**
Corporate Income Tax	-1,240	-1,193	+4.0%	-1,047	+18.4%	-2,287	-2,162	+5.8%
Net Income Attributable to Minority Interests	-85	-90	-5.5%	-122	-30.3%	-207	-176	+17.6%
Net Income Attributable to Equity Holders	**3,177**	**2,911**	**+9.1%**	**2,108**	**+50.7%**	**5,285**	**4,679**	**+13.0%**
Cost/income	**60.4%**	**60.9%**	**-0.5 pt**	**73.0%**	**-12.6 pt**	**66.8%**	**66.8%**	**+0.0 pt**

BNP Paribas' financial disclosures for the second quarter 2022 are contained in this press release and in the presentation attached herewith.
All legally required disclosures, including the Universal Registration document, are available online at http://invest.bnpparibas.com in the "Results" section and are made public by BNP Paribas pursuant to the requirements under Article L.451-1-2 of the French Monetary and Financial Code and Articles 222-1 and seq. of the Autorité des Marchés Financiers' general rules.

2Q22 – RESULTS BY CORE BUSINESSES

€m		Commercial, Personal Banking & Services (2/3 of Private Banking)	Investment & Protection Services	CIB	Operating Divisions	Corporate Centre	Group
Revenues		**7,001**	**1,723**	**4,106**	**12,831**	**-50**	**12,781**
	%Change2Q21	+11.2%	+2.2%	+10.6%	+9.7%	n.s.	+8.5%
	%Change1Q22	+3.0%	+4.5%	-12.7%	-2.4%	n.s.	-3.3%
Operating Expenses and Dep.		-4,168	-1,068	-2,314	-7,551	-168	-7,719
	%Change2Q21	+6.6%	+6.7%	+13.3%	+8.6%	-22.6%	+7.6%
	%Change1Q22	-12.0%	+1.7%	-31.0%	-17.4%	-67.2%	-20.0%
Gross Operating Income		**2,833**	**655**	**1,792**	**5,280**	**-218**	**5,062**
	%Change2Q21	+18.7%	-4.3%	+7.2%	+11.3%	+57.9%	+9.9%
	%Change1Q22	+37.4%	+9.3%	+32.8%	+31.7%	-51.1%	+42.0%
Cost of Risk		-644	-6	-76	-726	-63	-789
	%Change2Q21	-6.2%	+91.2%	+34.9%	-2.6%	-6.9%	-3.0%
	%Change1Q22	+63.6%	-16.2%	n.s.	+80.6%	+16.4%	+73.0%
Operating Income		**2,189**	**649**	**1,716**	**4,554**	**-281**	**4,273**
	%Change2Q21	+28.8%	-4.7%	+6.2%	+14.0%	+36.7%	+12.7%
	%Change1Q22	+31.2%	+9.6%	+27.3%	+26.2%	-43.8%	+37.4%
Share of Earnings of Equity-Method Entities		157	66	9	232	19	251
Other Non Operating Items		32	13	-1	44	-66	-22
Pre-Tax Income		**2,378**	**729**	**1,724**	**4,830**	**-328**	**4,502**
	%Change2Q21	+34.9%	+1.1%	+5.3%	+17.2%	n.s.	+7.4%
	%Change1Q22	+35.0%	+6.7%	+27.5%	+27.2%	-36.8%	+37.4%

€m		Commercial, Personal Banking & Services (2/3 of Private Banking)	Investment & Protection Services	CIB	Operating Divisions	Corporate Centre	Group
Revenues		**7,001**	**1,723**	**4,106**	**12,831**	**-50**	**12,781**
	2Q21	6,298	1,686	3,714	11,697	79	11,776
	1Q22	6,800	1,650	4,702	13,152	66	13,218
Operating Expenses and Dep.		-4,168	-1,068	-2,314	-7,551	-168	-7,719
	2Q21	-3,912	-1,001	-2,042	-6,955	-217	-7,172
	1Q22	-4,738	-1,051	-3,353	-9,142	-511	-9,653
Gross Operating Income		**2,833**	**655**	**1,792**	**5,280**	**-218**	**5,062**
	2Q21	2,386	684	1,672	4,742	**-138**	4,604
	1Q22	2,062	599	1,349	4,010	**-445**	3,565
Cost of Risk		-644	-6	-76	-726	-63	-789
	2Q21	-686	-3	-57	-746	-67	-813
	1Q22	-394	-7	-2	-402	-54	-456
Operating Income		**2,189**	**649**	**1,716**	**4,554**	**-281**	**4,273**
	2Q21	1,700	681	1,615	3,996	**-205**	3,791
	1Q22	1,669	592	1,347	3,608	**-499**	3,109
Share of Earnings of Equity-Method Entities		157	66	9	232	19	251
	2Q21	73	38	10	121	-20	101
	1Q22	86	52	4	142	23	165
Other Non Operating Items		32	13	-1	44	-66	-22
	2Q21	-10	2	12	4	298	302
	1Q22	6	39	1	46	-43	3
Pre-Tax Income		**2,378**	**729**	**1,724**	**4,830**	**-328**	**4,502**
	2Q21	1,763	721	1,637	4,121	**73**	4,194
	1Q22	1,761	683	1,353	3,796	**-519**	3,277
Corporate Income Tax							-1,240
Net Income Attributable to Minority Interests							-85
Net Income Attributable to Equity Holders							**3,177**

1H22 – RESULTS BY CORE BUSINESSES

€m		Commercial, Personal Banking & Services (2/3 of Private Banking)	Investment & Protection Services	CIB	Operating Divisions	Corporate Centre	Group
Revenues		**13,802**	**3,373**	**8,809**	**25,983**	**16**	**25,999**
	%Change1H21	+9.9%	+1.0%	+19.3%	+11.6%	-95.1%	+10.1%
Operating Expenses and Dep.		-8,906	-2,119	-5,668	-16,693	-679	-17,372
	%Change1H21	+5.8%	+5.1%	+16.2%	+9.0%	+47.4%	+10.2%
Gross Operating Income		**4,895**	**1,254**	**3,141**	**9,290**	**-663**	**8,627**
	%Change1H21	+18.1%	-5.1%	+25.3%	+16.5%	n.s.	+10.1%
Cost of Risk		-1,038	-13	-78	-1,128	-117	-1,245
	%Change1H21	-23.2%	+56.8%	-65.9%	-28.9%	-3.8%	-27.2%
Operating Income		**3,857**	**1,241**	**3,063**	**8,162**	**-780**	**7,382**
	%Change1H21	+38.1%	-5.5%	+34.4%	+27.8%	n.s.	+20.5%
Share of Earnings of Equity-Method Entities		243	118	13	375	41	416
Other Non Operating Items		38	52	0	90	-109	-19
Pre-Tax Income		**4,139**	**1,411**	**3,077**	**8,626**	**-847**	**7,779**
	%Change1H21	+44.1%	-5.6%	+32.6%	+29.0%	n.s.	+10.9%
Corporate Income Tax							-2,287
Net Income Attributable to Minority Interests							-207
Net Income Attributable to Equity Holders							**5,285**

QUARTERLY SERIES

€m	2Q22	1Q22	4Q21	3Q21	2Q21	1Q21
Group						
Revenues	**12,781**	**13,218**	**11,232**	**11,398**	**11,776**	**11,829**
incl. Interest Income	*5,695*	*5,734*	*5,169*	*5,218*	*5,370*	*5,452*
incl. Commissions	*2,615*	*2,637*	*2,919*	*2,603*	*2,640*	*2,555*
Operating Expenses and Dep.	-7,719	-9,653	-7,930	-7,412	-7,172	-8,597
Gross Operating Income	**5,062**	**3,565**	**3,302**	**3,986**	**4,604**	**3,232**
Cost of Risk	-789	-456	-510	-706	-813	-896
Operating Income	**4,273**	**3,109**	**2,792**	**3,280**	**3,791**	**2,336**
Share of Earnings of Equity-Method Entities	251	165	138	131	101	124
Other Non Operating Items	-22	3	240	39	302	363
Pre-Tax Income	**4,502**	**3,277**	**3,170**	**3,450**	**4,194**	**2,823**
Corporate Income Tax	-1,240	-1,047	-759	-836	-1,193	-969
Net Income Attributable to Minority Interests	-85	-122	-105	-111	-90	-86
Net Income Attributable to Equity Holders	**3,177**	**2,108**	**2,306**	**2,503**	**2,911**	**1,768**
Cost/income	**60.4%**	**73.0%**	**70.6%**	**65.0%**	**60.9%**	**72.7%**
Average loan outstandings (€bn)	851.8	828.3	806.4	793.5	787.9	781.9
Average deposits (€bn)	842.9	824.7	809.3	796.2	785.4	770.2
Loan outstandings at the beginning of the quarter (used for cost of risk in bp)	942.7	903.8	883.0	873.9	866.8	846.9
Cost of risk (in annualised bp)	33	20	23	32	38	42

€m	2Q22	1Q22	4Q21	3Q21	2Q21	1Q21
Commercial, Personal Banking & Services (including 100% of Private Banking in France, Belgium, Italy, Luxembourg, Poland, Turkey, the United States and Germany)[1]						
Revenues	**7,184**	**6,979**	**6,506**	**6,485**	**6,467**	**6,430**
Operating Expenses and Dep.	-4,263	-4,848	-4,252	-4,046	-4,001	-4,609
Gross Operating Income	**2,921**	**2,131**	**2,253**	**2,439**	**2,466**	**1,821**
Cost of Risk	-645	-401	-597	-639	-694	-668
Operating Income	**2,275**	**1,730**	**1,657**	**1,800**	**1,771**	**1,154**
Share of Earnings of Equity-Method Entities	157	86	70	92	73	51
Other Non Operating Items	32	6	-5	104	-10	-36
Pre-Tax Income	**2,464**	**1,822**	**1,722**	**1,996**	**1,834**	**1,169**
Income Attributable to Wealth and Asset Management	-86	-61	-74	-70	-71	-60
Pre-Tax Income of Commercial, Personal Banking & Services	**2,378**	**1,761**	**1,648**	**1,926**	**1,763**	**1,110**
Cost/Income	**59.3%**	**69.5%**	**65.4%**	**62.4%**	**61.9%**	**71.7%**
Average loan outstandings (€bn)	667	651	636	628	624	622
Loan outstandings at the beginning of the quarter (used for cost of risk in bp)	659	643	633	630	624	625
Average deposits (€bn)	645	634	624	612	600	586
Cost of risk (in annualised bp)	39	25	38	41	44	43
Allocated Equity (€bn, year to date; including 2/3 of Private Banking in France, Belgium, Italy, Luxembourg, Poland, Turkey, the United States and Germany)	46.3	44.9	43.3	43.3	43.5	43.8
RWA (€bn)	426.5	422.3	402.8	395.6	393.7	395.3

€m	2Q22	1Q22	4Q21	3Q21	2Q21	1Q21
Commercial, Personal Banking & Services (including 2/3 of Private Banking in France, Belgium, Italy, Luxembourg, Poland, Turkey, the United States and Germany)						
Revenues	**7,001**	**6,800**	**6,334**	**6,321**	**6,298**	**6,263**
Operating Expenses and Dep.	-4,168	-4,738	-4,153	-3,954	-3,912	-4,504
Gross Operating Income	**2,833**	**2,062**	**2,181**	**2,367**	**2,386**	**1,759**
Cost of Risk	-644	-394	-597	-638	-686	-665
Operating Income	**2,189**	**1,669**	**1,583**	**1,729**	**1,700**	**1,094**
Share of Earnings of Equity-Method Entities	157	86	70	92	73	51
Other Non Operating Items	32	6	-5	104	-10	-36
Pre-Tax Income	**2,378**	**1,761**	**1,648**	**1,926**	**1,763**	**1,110**
Cost/Income	**59.5%**	**69.7%**	**65.6%**	**62.5%**	**62.1%**	**71.9%**
Allocated Equity (€bn, year to date)	46.3	44.9	43.3	43.3	43.5	43.8
RWA (€bn)	422.2	418.1	398.9	391.8	389.9	391.7

€m	2Q22	1Q22	4Q21	3Q21	2Q21	1Q21
Commercial & Personal Banking (including 100% of Private Banking in France, Belgium, Italy, Luxembourg, Poland, Turkey and the United States)[1]						
Revenues	**4,702**	**4,575**	**4,318**	**4,379**	**4,297**	**4,257**
incl. net interest income	*3,071*	*2,984*	*2,745*	*2,873*	*2,763*	*2,798*
incl. fees	*1,630*	*1,590*	*1,574*	*1,507*	*1,534*	*1,459*
Operating Expenses and Dep.	-3,065	-3,575	-3,071	-2,959	-2,861	-3,402
Gross Operating Income	**1,637**	**1,000**	**1,247**	**1,420**	**1,437**	**855**
Cost of Risk	-265	-43	-219	-280	-316	-313
Operating Income	**1,372**	**957**	**1,028**	**1,140**	**1,121**	**542**
Share of Earnings of Equity-Method Entities	133	70	48	76	78	37
Other Non Operating Items	3	6	-12	68	-1	-36
Pre-Tax Income	**1,508**	**1,033**	**1,064**	**1,283**	**1,198**	**542**
Income Attributable to Wealth and Asset Management	-86	-61	-73	-70	-71	-59
Pre-Tax Income of Commercial & Personal Banking	**1,422**	**972**	**991**	**1,214**	**1,127**	**483**
Cost/Income	**65.2%**	**78.1%**	**71.1%**	**67.6%**	**66.6%**	**79.9%**
Average loan outstandings (€bn)	523	510	496	491	486	486
Loan outstandings at the beginning of the quarter (€bn) (used for cost of risk in bp)	538	525	517	512	508	508
Average deposits (€bn)	614	604	594	584	573	560
Cost of risk (in annualised bp)	20	3	17	22	25	25
Allocated Equity (€bn, year to date; including 2/3 of Private Banking in France, Belgium, Italy, Luxembourg, Poland, Turkey and the United States)	34.6	33.5	32.0	31.9	32.0	32.4
RWA (€bn)	317.9	315.5	300.5	294.9	291.9	291.3

€m	2Q22	1Q22	4Q21	3Q21	2Q21	1Q21
Commercial & Personal Banking (including 2/3 of Private Banking in France, Belgium, Italy, Luxembourg, Poland, Turkey and the United States)						
Revenues	**4,521**	**4,398**	**4,149**	**4,217**	**4,131**	**4,092**
Operating Expenses and Dep.	-2,972	-3,466	-2,974	-2,868	-2,773	-3,299
Gross Operating Income	**1,550**	**932**	**1,174**	**1,349**	**1,358**	**793**
Cost of Risk	-264	-36	-219	-279	-308	-310
Operating Income	**1,286**	**896**	**955**	**1,070**	**1,050**	**483**
Share of Earnings of Equity-Method Entities	133	70	48	76	78	37
Other Non Operating Items	3	6	-12	68	-1	-37
Pre-Tax Income	**1,422**	**972**	**991**	**1,214**	**1,127**	**483**
Cost/Income	**65.7%**	**78.8%**	**71.7%**	**68.0%**	**67.1%**	**80.6%**
Allocated Equity (€bn, year to date)	34.6	33.5	32.0	31.9	32.0	32.4
RWA (€bn)	313.6	311.3	296.6	291.1	288.2	287.7

1. Including 100% of Private Banking for the Revenues to Pre-tax income items

€m	2Q22	1Q22	4Q21	3Q21	2Q21	1Q21
Commercial & Personal Banking in the Eurozone (including 100% of Private Banking in France, Italy, Belgium and Luxembourg)[1]						
Revenues	**3,479**	**3,317**	**3,243**	**3,280**	**3,246**	**3,116**
incl. net interest income	*2,074*	*1,947*	*1,922*	*1,979*	*1,921*	*1,861*
incl. fees	*1,405*	*1,370*	*1,321*	*1,302*	*1,325*	*1,255*
Operating Expenses and Dep.	-2,152	-2,678	-2,220	-2,151	-2,061	-2,557
Gross Operating Income	**1,327**	**640**	**1,023**	**1,129**	**1,185**	**559**
Cost of Risk	-187	-198	-211	-288	-249	-281
Operating Income	**1,140**	**442**	**812**	**841**	**936**	**277**
Share of Earnings of Equity-Method Entities	1	0	1	5	1	-3
Other Non Operating Items	31	6	-15	60	3	3
Pre-Tax Income	**1,171**	**448**	**799**	**906**	**940**	**278**
Income Attributable to Wealth and Asset Management	-72	-50	-64	-63	-64	-50
Pre-Tax Income of Commercial & Personal Banking in the Eurozone	**1,099**	**397**	**735**	**843**	**876**	**228**
Cost/Income	**61.9%**	**80.7%**	**68.5%**	**65.6%**	**63.5%**	**82.1%**
Average loan outstandings (€bn)	433	425	412	407	404	402
Loan outstandings at the beginning of the quarter (used for cost of risk in bp)	449	437	430	427	421	421
Average deposits (€bn)	501	492	481	473	465	456
Cost of risk (in annualised bp)	17	18	20	27	24	27
Allocated Equity (€bn, year to date; including 2/3 of Private Banking in France, Belgium, Italy and Luxembourg)	24.0	23.2	22.0	22.0	22.0	22.2
RWA (€bn)	214.0	218.8	207.2	201.7	201.3	201.5

€m	2Q22	1Q22	4Q21	3Q21	2Q21	1Q21
Commercial & Personal Banking in the Eurozone (including 2/3 of Private Banking in France, Italy, Belgium and Luxembourg)						
Revenues	**3,326**	**3,164**	**3,096**	**3,137**	**3,099**	**2,971**
Operating Expenses and Dep.	-2,073	-2,583	-2,136	-2,073	-1,986	-2,465
Gross Operating Income	**1,254**	**582**	**960**	**1,065**	**1,113**	**506**
Cost of Risk	-186	-191	-212	-287	-241	-278
Operating Income	**1,068**	**391**	**748**	**778**	**872**	**227**
Share of Earnings of Equity-Method Entities	1	0	1	5	1	-3
Other Non Operating Items	31	6	-15	60	3	3
Pre-Tax Income	**1,099**	**397**	**735**	**843**	**876**	**228**
Cost/Income	**62.3%**	**81.6%**	**69.0%**	**66.1%**	**64.1%**	**83.0%**
Allocated Equity (€bn, year to date)	24.0	23.2	22.0	22.0	22.0	22.2
RWA (€bn)	209.9	214.7	203.4	198.0	197.6	197.9

€m	2Q22	1Q22	4Q21	3Q21	2Q21	1Q21
Commercial & Personal Banking in France (including 100% of Private Banking in France)[1]						
Revenues	**1,728**	**1,613**	**1,608**	**1,574**	**1,607**	**1,481**
incl. net interest income	*919*	*847*	*884*	*859*	*860*	*797*
incl. fees	*809*	*766*	*724*	*714*	*747*	*684*
Operating Expenses and Dep.	-1,117	-1,239	-1,178	-1,129	-1,075	-1,175
Gross Operating Income	**612**	**374**	**430**	**444**	**532**	**306**
Cost of Risk	-64	-93	-99	-115	-101	-125
Operating Income	**548**	**281**	**331**	**329**	**431**	**181**
Share of Earnings of Equity-Method Entities	1	0	0	0	-2	0
Other Non Operating Items	25	0	-15	54	0	0
Pre-Tax Income	**574**	**282**	**316**	**383**	**429**	**181**
Income Attributable to Wealth and Asset Management	-42	-31	-35	-34	-30	-28
Pre-Tax Income of Commercial & Personal Banking in France	**531**	**250**	**280**	**349**	**399**	**153**
Cost/Income	**64.6%**	**76.8%**	**73.3%**	**71.8%**	**66.9%**	**79.3%**
Average loan outstandings (€bn)	208	203	201	200	199	198
Loan outstandings at the beginning of the quarter (€bn) (used for cost of risk in bp)	221	218	215	216	213	213
Average deposits (€bn)	244	240	241	237	231	226
Cost of risk (in annualised bp)	12	17	19	21	19	24
Allocated Equity (€bn, year to date; including 2/3 of Private Banking in France)	11.0	10.6	10.6	10.7	10.8	10.8
RWA (€bn)	102.8	103.2	98.0	96.4	97.1	99.6

1. Including 100% of Private Banking for the Revenues to Pre-tax income items

Reminder on PEL/CEL provision: this provision, accounted in the CPBF's revenues, takes into account the risk generated by Plans Epargne Logement (PEL) and Comptes Epargne Logement (CEL) during their whole lifetime

€m	2Q22	1Q22	4Q21	3Q21	2Q21	1Q21
PEL/CEL effects 100% of Private Banking in France	14	11	6	3	19	1

€m	2Q22	1Q22	4Q21	3Q21	2Q21	1Q21
Commercial & Personal Banking in France (including 2/3 of Private Banking in France)						
Revenues	**1,647**	**1,531**	**1,530**	**1,499**	**1,531**	**1,406**
Operating Expenses and Dep.	-1,078	-1,195	-1,136	-1,091	-1,036	-1,132
Gross Operating Income	**569**	**336**	**395**	**408**	**495**	**274**
Cost of Risk	-64	-86	-100	-113	-94	-121
Operating Income	**505**	**250**	**295**	**295**	**401**	**153**
Non Operating Items	26	0	-15	54	-2	1
Pre-Tax Income	**531**	**250**	**280**	**349**	**399**	**153**
Cost/Income	**65.4%**	**78.0%**	**74.2%**	**72.8%**	**67.7%**	**80.5%**
Allocated Equity (€bn, year to date)	11.0	10.6	10.6	10.7	10.8	10.8
RWA (€bn)	100.0	100.4	95.5	93.9	94.6	97.2

€m	2Q22	1Q22	4Q21	3Q21	2Q21	1Q21
BNL bc (including 100% of Private Banking in Italy)[1]						
Revenues	**671**	**654**	**668**	**667**	**669**	**676**
incl. net interest income	*387*	*380*	*370*	*385*	*387*	*398*
incl. fees	*284*	*274*	*298*	*282*	*283*	*278*
Operating Expenses and Dep.	-416	-454	-438	-449	-435	-458
Gross Operating Income	**255**	**201**	**230**	**218**	**235**	**217**
Cost of Risk	-110	-128	-143	-130	-105	-110
Operating Income	**146**	**73**	**87**	**88**	**130**	**107**
Share of Earnings of Equity-Method Entities	0	0	0	0	0	0
Other Non Operating Items	2	0	0	0	0	0
Pre-Tax Income	**148**	**73**	**87**	**88**	**130**	**107**
Income Attributable to Wealth and Asset Management	-8	-8	-9	-8	-10	-9
Pre-Tax Income of BNL bc	**139**	**65**	**78**	**80**	**120**	**98**
Cost/Income	**62.0%**	**69.3%**	**65.6%**	**67.3%**	**64.9%**	**67.9%**
Average loan outstandings (€bn)	78	79	78	77	76	77
Loan outstandings at the beginning of the quarter (used for cost of risk in bp)	79	82	80	78	77	79
Average deposits (€bn)	65	63	62	59	59	58
Cost of risk (in annualised bp)	55	63	71	67	54	56
Allocated Equity (€bn, year to date; including 2/3 of Private Banking in Italy)	6.0	5.9	5.3	5.3	5.3	5.5
RWA (€bn)	49.3	49.8	49.1	49.2	48.2	47.7

€m	2Q22	1Q22	4Q21	3Q21	2Q21	1Q21
BNL bc (including 2/3 of Private Banking in Italy)						
Revenues	**649**	**633**	**645**	**645**	**647**	**654**
Operating Expenses and Dep.	-403	-440	-424	-435	-422	-445
Gross Operating Income	**246**	**193**	**222**	**210**	**225**	**208**
Cost of Risk	-109	-128	-143	-130	-104	-110
Operating Income	**138**	**65**	**78**	**80**	**120**	**98**
Share of Earnings of Equity-Method Entities	0	0	0	0	0	0
Other Non Operating Items	2	0	0	0	0	0
Pre-Tax Income	**139**	**65**	**78**	**80**	**120**	**98**
Cost/Income	**62.0%**	**69.5%**	**65.7%**	**67.4%**	**65.2%**	**68.1%**
Allocated Equity (€bn, year to date)	6.0	5.9	5.3	5.3	5.3	5.5
RWA (€bn)	48.8	49.3	48.7	48.8	47.8	47.3

€m	2Q22	1Q22	4Q21	3Q21	2Q21	1Q21
Commercial & Personal Banking in Belgium (including 100% of Private Banking in Belgium)[1]						
Revenues	**965**	**935**	**854**	**933**	**864**	**858**
incl. net interest income	*677*	*632*	*581*	*649*	*589*	*585*
incl. fees	*288*	*303*	*273*	*284*	*275*	*274*
Operating Expenses and Dep.	-554	-905	-540	-511	-488	-845
Gross Operating Income	**412**	**30**	**314**	**422**	**376**	**14**
Cost of Risk	-16	17	28	-36	-45	-47
Operating Income	**396**	**47**	**342**	**386**	**331**	**-33**
Share of Earnings of Equity-Method Entities	1	0	2	5	2	-3
Other Non Operating Items	3	4	1	6	4	3
Pre-Tax Income	**399**	**52**	**344**	**397**	**337**	**-33**
Income Attributable to Wealth and Asset Management	-20	-10	-18	-20	-22	-12
Pre-Tax Income of Commercial & Personal Banking in Belgium	**379**	**42**	**326**	**377**	**315**	**-45**
Cost/Income	**57.3%**	**96.8%**	**63.3%**	**54.8%**	**56.5%**	**98.4%**
Average loan outstandings (€bn)	134	131	120	119	116	115
Loan outstandings at the beginning of the quarter (used for cost of risk in bp)	136	125	122	120	118	118
Average deposits (€bn)	162	161	149	149	149	146
Cost of risk (in annualised bp)	5	-6	-9	12	15	16
Allocated Equity (€bn, year to date; including 2/3 of Private Banking in Belgium)	6.2	5.9	5.3	5.2	5.2	5.2
RWA (€bn)	54.2	58.4	53.1	49.4	49.1	47.5

€m	2Q22	1Q22	4Q21	3Q21	2Q21	1Q21
Commercial & Personal Banking in Belgium (including 2/3 of Private Banking in Belgium)						
Revenues	**920**	**890**	**810**	**890**	**819**	**813**
Operating Expenses and Dep.	-529	-870	-514	-486	-466	-811
Gross Operating Income	**392**	**20**	**296**	**403**	**353**	**3**
Cost of Risk	-16	18	28	-37	-44	-48
Operating Income	**376**	**38**	**324**	**367**	**309**	**-45**
Share of Earnings of Equity-Method Entities	1	0	2	5	2	-3
Other Non Operating Items	3	4	1	6	4	3
Pre-Tax Income	**379**	**42**	**326**	**377**	**315**	**-45**
Cost/Income	**57.4%**	**97.8%**	**63.4%**	**54.7%**	**56.9%**	**99.7%**
Allocated Equity (€bn, year to date)	6.2	5.9	5.3	5.2	5.2	5.2
RWA (€bn)	53.5	57.6	52.4	48.7	48.4	46.8

1. Including 100% of Private Banking for the Revenues to Pre-tax income items

€m	2Q22	1Q22	4Q21	3Q21	2Q21	1Q21
Commercial & Personal Banking in Luxembourg (including 100% of Private Banking in Luxembourg)[1]						
Revenues	**114**	**115**	**113**	**107**	**106**	**101**
incl. net interest income	*90*	*88*	*87*	*86*	*85*	*81*
incl. fees	*24*	*27*	*26*	*21*	*21*	*20*
Operating Expenses and Dep.	-66	-80	-64	-62	-64	-79
Gross Operating Income	**48**	**35**	**49**	**45**	**42**	**22**
Cost of Risk	3	5	3	-7	1	1
Operating Income	**51**	**40**	**52**	**38**	**43**	**23**
Share of Earnings of Equity-Method Entities	0	0	0	0	0	0
Other Non Operating Items	0	2	0	0	0	0
Pre-Tax Income	**51**	**42**	**52**	**38**	**43**	**23**
Income Attributable to Wealth and Asset Management	-2	-2	-2	-2	-1	-1
Pre-Tax Income of Commercial & Personal Banking in Luxembourg	**49**	**40**	**50**	**37**	**42**	**21**
Cost/Income	**57.8%**	**69.8%**	**56.3%**	**58.1%**	**60.2%**	**78.2%**
Average loan outstandings (€bn)	13	13	12	12	12	12
Loan outstandings at the beginning of the quarter (used for cost of risk in bp)	13	13	12	12	12	12
Average deposits (€bn)	30	29	29	28	27	27
Cost of risk (in annualised bp)	-9	-17	-10	23	-3	-2
Allocated Equity (€bn, year to date; including 2/3 of Private Banking in Luxembourg)	0.8	0.8	0.7	0.7	0.7	0.7
RWA (€bn)	7.6	7.5	6.8	6.6	6.8	6.7

€m	2Q22	1Q22	4Q21	3Q21	2Q21	1Q21
Commercial & Personal Banking in Luxembourg (including 2/3 of Private Banking in Luxembourg)						
Revenues	**110**	**111**	**110**	**104**	**103**	**97**
Operating Expenses and Dep.	-64	-78	-62	-61	-62	-77
Gross Operating Income	**46**	**33**	**48**	**43**	**41**	**21**
Cost of Risk	3	5	3	-7	1	1
Operating Income	**49**	**38**	**51**	**36**	**42**	**21**
Share of Earnings of Equity-Method Entities	0	0	0	0	0	0
Other Non Operating Items	0	2	0	0	0	0
Pre-Tax Income	**49**	**40**	**50**	**37**	**42**	**21**
Cost/Income	**57.9%**	**70.4%**	**56.5%**	**58.2%**	**60.4%**	**78.9%**
Allocated Equity (€bn, year to date)	0.8	0.8	0.7	0.7	0.7	0.7
RWA (€bn)	7.5	7.4	6.8	6.6	6.8	6.7

€m	2Q22	1Q22	4Q21	3Q21	2Q21	1Q21
Commercial & Personal Banking in the rest of the world (including 100% of Private Banking in Poland, Turkey and the United States)[1]						
Revenues	**1,223**	**1,258**	**1,075**	**1,099**	**1,052**	**1,141**
incl. net interest income	*997*	*1,037*	*822*	*894*	*842*	*938*
incl. fees	*225*	*221*	*253*	*205*	*209*	*204*
Operating Expenses and Dep.	-913	-897	-851	-808	-799	-845
Gross Operating Income	**310**	**361**	**224**	**291**	**252**	**297**
Cost of Risk	-78	154	-8	8	-67	-32
Operating Income	**232**	**515**	**216**	**299**	**185**	**265**
Share of Earnings of Equity-Method Entities	132	70	46	71	77	40
Other Non Operating Items	-27	0	2	8	-4	-40
Pre-Tax Income	**337**	**585**	**265**	**378**	**258**	**265**
Income Attributable to Wealth and Asset Management	-14	-10	-9	-7	-7	-9
Pre-Tax Income of Commercial & Personal Banking in the rest of the world	**323**	**575**	**256**	**371**	**251**	**255**
Cost/Income	**74.6%**	**71.3%**	**79.2%**	**73.5%**	**76.0%**	**74.0%**
Average loan outstandings (€bn)	90	85	84	83	83	84
Loan outstandings at the beginning of the quarter (used for cost of risk in bp)	89	87	87	86	87	87
Average deposits (€bn)	113	112	113	111	108	105
Cost of risk (in annualised bp)	35	-71	4	-4	31	15
Allocated Equity (€bn, year to date; including 2/3 of Private Banking in Poland, Turkey and the United States)	10.6	10.3	10.0	10.0	10.0	10.2
RWA (€bn, year to date)	103.8	96.8	93.4	93.2	90.7	89.8

€m	2Q22	1Q22	4Q21	3Q21	2Q21	1Q21
Commercial & Personal Banking in the rest of the world (including 2/3 of Private Banking in Poland, Turkey and the United States)						
Revenues	**1,195**	**1,234**	**1,053**	**1,080**	**1,032**	**1,122**
Operating Expenses and Dep.	-899	-883	-839	-795	-787	-834
Gross Operating Income	**296**	**351**	**214**	**284**	**245**	**288**
Cost of Risk	-78	154	-8	8	-67	-32
Operating Income	**218**	**505**	**207**	**292**	**178**	**255**
Share of Earnings of Equity-Method Entities	132	70	46	71	77	40
Other Non Operating Items	-27	0	2	8	-4	-40
Pre-Tax Income	**323**	**575**	**256**	**371**	**251**	**255**
Cost/Income	**75.2%**	**71.6%**	**79.6%**	**73.7%**	**76.3%**	**74.3%**
Allocated Equity (€bn, year to date)	10.6	10.3	10.0	10.0	10.0	10.2
RWA (€bn)	103.7	96.7	93.2	93.1	90.6	89.8

1. Including 100% of Private Banking for the Revenues to Pre-tax income items

€m	2Q22	1Q22	4Q21	3Q21	2Q21	1Q21
Europe-Mediterranean (including 100% of Private Banking in Poland and Turkey)[1]						
Revenues	**566**	**639**	**449**	**511**	**464**	**516**
incl. net interest income	*455*	*518*	*320*	*401*	*349*	*399*
incl. fees	*111*	*121*	*129*	*109*	*115*	*117*
Operating Expenses and Dep.	-418	-422	-395	-383	-394	-435
Gross Operating Income	**148**	**217**	**54**	**128**	**71**	**82**
Cost of Risk	-48	-39	-32	-15	-58	-39
Operating Income	**100**	**178**	**22**	**113**	**12**	**43**
Share of Earnings of Equity-Method Entities	132	70	46	71	77	40
Other Non Operating Items	-29	0	-3	-1	-7	-41
Pre-Tax Income	**203**	**248**	**65**	**183**	**82**	**41**
Income Attributable to Wealth and Asset Management	-3	-3	-2	-1	-2	-3
Pre-Tax Income of Europe-Mediterranean	**200**	**245**	**63**	**182**	**80**	**39**
Cost/Income	**73.8%**	**66.1%**	**87.9%**	**74.9%**	**84.8%**	**84.2%**
Average loan outstandings (€bn)	35	34	34	35	34	34
Loan outstandings at the beginning of the quarter (used for cost of risk in bp)	37	37	38	37	36	37
Average deposits (€bn)	41	40	41	41	40	39
Cost of risk (in annualised bp)	53	43	34	17	65	42
Allocated Equity (€bn, year to date; including 2/3 of Private Banking in Poland and Turkey)	5.2	5.1	5.0	5.0	5.0	5.1
RWA (€bn)	51.8	48.4	46.5	47.6	45.9	44.5

€m	2Q22	1Q22	4Q21	3Q21	2Q21	1Q21
Europe-Mediterranean (including 2/3 of Private Banking in Poland and Turkey)						
Revenues	**560**	**634**	**445**	**508**	**461**	**512**
Operating Expenses and Dep.	-416	-420	-393	-381	-392	-433
Gross Operating Income	**145**	**214**	**52**	**127**	**69**	**80**
Cost of Risk	-48	-39	-32	-15	-58	-39
Operating Income	**97**	**174**	**20**	**112**	**10**	**41**
Share of Earnings of Equity-Method Entities	132	70	46	71	77	40
Other Non Operating Items	-29	0	-3	-1	-7	-41
Pre-Tax Income	**200**	**245**	**63**	**182**	**80**	**39**
Cost/Income	**74.1%**	**66.3%**	**88.3%**	**75.0%**	**85.1%**	**84.5%**
Allocated Equity (€bn, year to date)	5.2	5.1	5.0	5.0	5.0	5.1
RWA (€bn)	51.8	48.4	46.5	47.6	45.9	44.5

€m	2Q22	1Q22	4Q21	3Q21	2Q21	1Q21
BancWest (including 100% of Private Banking in United States)[1]						
Revenues	**657**	**619**	**626**	**588**	**587**	**625**
incl. net interest income	*542*	*519*	*502*	*493*	*493*	*538*
incl. fees	*114*	*100*	*124*	*96*	*94*	*87*
Operating Expenses and Dep.	-495	-475	-457	-425	-406	-410
Gross Operating Income	**162**	**144**	**169**	**163**	**182**	**215**
Cost of Risk	-30	194	24	23	-8	7
Operating Income	**132**	**337**	**194**	**186**	**173**	**222**
Share of Earnings of Equity-Method Entities	0	0	0	0	0	0
Other Non Operating Items	2	0	6	9	3	2
Pre-Tax Income	**134**	**337**	**199**	**195**	**176**	**223**
Income Attributable to Wealth and Asset Management	-11	-7	-7	-6	-5	-7
Pre-Tax Income of BancWest	**123**	**330**	**192**	**189**	**171**	**216**
Cost/Income	**75.4%**	**76.8%**	**73.0%**	**72.3%**	**69.1%**	**65.6%**
Average loan outstandings (€bn)	55	51	50	49	49	50
Loan outstandings at the beginning of the quarter (used for cost of risk in bp)	53	51	49	49	51	50
Average deposits (€bn)	73	72	72	71	68	65
Cost of risk (in annualised bp)	23	-153	-20	-19	7	-5
Allocated Equity (€bn, year to date; including 2/3 of Private Banking in the United States)	5.4	5.2	5.0	4.9	5.0	5.0
RWA (€bn)	52.1	48.3	46.8	45.5	44.8	45.3

€m	2Q22	1Q22	4Q21	3Q21	2Q21	1Q21
BancWest (including 2/3 of Private Banking in United States)						
Revenues	**635**	**600**	**608**	**572**	**571**	**609**
Operating Expenses and Dep.	-484	-463	-446	-415	-395	-401
Gross Operating Income	**151**	**137**	**162**	**157**	**176**	**208**
Cost of Risk	-30	194	24	23	-8	7
Operating Income	**121**	**331**	**187**	**180**	**168**	**215**
Share of Earnings of Equity-Method Entities	0	0	0	0	0	0
Other Non Operating Items	2	0	6	9	3	2
Pre-Tax Income	**123**	**330**	**192**	**189**	**171**	**216**
Cost/Income	**76.2%**	**77.2%**	**73.3%**	**72.5%**	**69.1%**	**65.8%**
Allocated Equity (€bn, year to date)	5.4	5.2	5.0	4.9	5.0	5.0
RWA (€bn)	52.0	48.2	46.7	45.4	44.7	45.3

1. Including 100% of Private Banking for the Revenues to Pre-tax income items

€m	2Q22	1Q22	4Q21	3Q21	2Q21	1Q21
Specialised businesses (Personal Finance, Arval & Leasing Solutions, New Digital Businesses & Personal Investors including 100% of Private Banking in Germany)[1]						
Revenues	**2,482**	**2,404**	**2,187**	**2,106**	**2,169**	**2,173**
Operating Expenses and Dep.	-1,199	-1,274	-1,181	-1,087	-1,141	-1,207
Gross Operating Income	**1,284**	**1,130**	**1,007**	**1,019**	**1,029**	**966**
Cost of Risk	-380	-357	-378	-359	-378	-354
Operating Income	**903**	**773**	**629**	**660**	**650**	**612**
Share of Earnings of Equity-Method Entities	24	16	22	17	-4	15
Other Non Operating Items	28	0	7	36	-9	1
Pre-Tax Income	**956**	**789**	**658**	**712**	**637**	**627**
Income Attributable to Wealth and Asset Management	0	-1	-1	0	0	-1
Pre-Tax Income of the specialised businesses	**956**	**789**	**658**	**712**	**636**	**626**
Cost/Income	**48.3%**	**53.0%**	**54.0%**	**51.6%**	**52.6%**	**55.5%**
Loan outstandings at the beginning of the quarter (used for cost of risk in bp)	121	118	116	117	117	117
Cost of risk (in annualised bp)	125	121	130	122	130	121
Allocated Equity (€bn, year to date; including 2/3 of Private Banking in Germany)	11.8	11.4	11.3	11.4	11.5	11.4
RWA (€bn)	108.6	106.8	102.3	100.7	101.7	104.0

€m	2Q22	1Q22	4Q21	3Q21	2Q21	1Q21
Personal Finance						
Revenues	**1,371**	**1,388**	**1,294**	**1,271**	**1,319**	**1,332**
Operating Expenses and Dep.	-718	-776	-710	-644	-700	-750
Gross Operating Income	**653**	**612**	**584**	**627**	**619**	**581**
Cost of Risk	-309	-315	-346	-303	-344	-321
Operating Income	**344**	**297**	**238**	**324**	**276**	**260**
Share of Earnings of Equity-Method Entities	26	14	22	16	-2	16
Other Non Operating Items	-12	0	-2	36	-9	1
Pre-Tax Income	**358**	**312**	**258**	**376**	**264**	**277**
Cost/Income	**52.4%**	**55.9%**	**54.9%**	**50.7%**	**53.1%**	**56.4%**
Average Total consolidated outstandings (€bn)	94	93	91	90	91	91
Loan outstandings at the beginning of the quarter (used for cost of risk in bp)	96	94	93	94	93	93
Cost of risk (in annualised bp)	129	134	150	130	147	138
Allocated Equity (€bn, year to date)	8.0	7.7	7.7	7.8	7.8	7.8
RWA (€bn)	73.1	72.4	69.5	68.4	70.0	71.5

€m	2Q22	1Q22	4Q21	3Q21	2Q21	1Q21
Arval & Leasing Solutions						
Revenues	**895**	**811**	**709**	**658**	**670**	**639**
Operating Expenses and Dep.	-341	-366	-328	-314	-319	-338
Gross Operating Income	**553**	**445**	**381**	**344**	**350**	**301**
Cost of Risk	-49	-30	-30	-54	-34	-32
Operating Income	**505**	**415**	**351**	**291**	**317**	**269**
Share of Earnings of Equity-Method Entities	1	4	3	3	1	2
Other Non Operating Items	40	0	0	0	0	0
Pre-Tax Income	**545**	**419**	**353**	**293**	**317**	**271**
Cost/Income	**38.1%**	**45.1%**	**46.2%**	**47.7%**	**47.7%**	**52.9%**
Allocated Equity (€bn, year to date)	3.4	3.3	3.2	3.2	3.3	3.3
RWA (€bn)	30.7	29.5	29.3	28.9	28.2	29.0
Total consolidated outstandings (€bn)	49	48	47	46	46	45
Financed fleet ('000 of vehicles)	1,501	1,484	1,470	1,441	1,417	1,393

€m	2Q22	1Q22	4Q21	3Q21	2Q21	1Q21
New Digital Businesses & Personal Investors (including 100% of Private Banking in Germany)[1]						
Revenues	**217**	**205**	**184**	**177**	**180**	**203**
Operating Expenses and Dep.	-139	-132	-143	-130	-122	-119
Gross Operating Income	**77**	**73**	**41**	**47**	**59**	**84**
Cost of Risk	-23	-12	-1	-1	-1	-2
Operating Income	**54**	**61**	**40**	**46**	**58**	**82**
Share of Earnings of Equity-Method Entities	-2	-3	-3	-2	-3	-3
Other Non Operating Items	1	0	9	0	0	0
Pre-Tax Income	**53**	**58**	**47**	**43**	**55**	**79**
Income Attributable to Wealth and Asset Management	0	-1	-1	0	0	-1
Pre-Tax Income of New Digital Businesses & Personal Investors	**52**	**58**	**46**	**43**	**54**	**79**
Cost/Income	**64.3%**	**64.4%**	**77.6%**	**73.4%**	**67.5%**	**58.6%**
Allocated Equity (€bn, year to date; including 2/3 of Private Banking in Germany)	0.5	0.4	0.4	0.4	0.3	0.3
RWA (€bn)	4.8	4.9	3.5	3.4	3.4	3.5
Number of accounts opened for Nickel	0	0	0	0	0	0
Average Loans personal Investors (€bn)	2	1	1	1	1	1
Average deposits personal Investors (€bn)	31	30	30	28	27	26
AUM Personal Investors (€bn)	147	162	163	161	157	146
European Customer Orders (millions) of Personal Investors	10.1	13.0	11.8	10.7	10.0	12.4

1. Including 100% of Private Banking for the Revenues to Pre-tax income items

€m	2Q22	1Q22	4Q21	3Q21	2Q21	1Q21
Investment & Protection Services						
Revenues	**1,723**	**1,650**	**1,639**	**1,498**	**1,686**	**1,652**
Operating Expenses and Dep.	-1,068	-1,051	-1,164	-1,038	-1,001	-1,015
Gross Operating Income	**655**	**599**	**475**	**461**	**684**	**638**
Cost of Risk	-6	-7	7	-6	-3	-5
Operating Income	**649**	**592**	**482**	**455**	**681**	**633**
Share of Earnings of Equity-Method Entities	66	52	57	17	38	44
Other Non Operating Items	13	39	-3	-4	2	97
Pre-Tax Income	**729**	**683**	**537**	**468**	**721**	**774**
Cost/Income	**62.0%**	**63.7%**	**71.0%**	**69.3%**	**59.4%**	**61.4%**
Asset Under Management (€bn) with 100% of Private Banking in France, Belgium, Italy, Luxembourg, Poland, Turkey, the United States and Germany	1,198	1,244	1,277	1,220	1,205	1,174
Allocated Equity (€bn, year to date)	10.0	9.9	12.0	11.8	11.6	11.5
RWA (€bn)	44.8	48.8	51.3	50.2	50.5	51.4

€m	2Q22	1Q22	4Q21	3Q21	2Q21	1Q21
Insurance						
Revenues	**787**	**721**	**655**	**613**	**767**	**792**
Operating Expenses and Dep.	-396	-384	-410	-376	-367	-383
Gross Operating Income	**391**	**337**	**245**	**237**	**399**	**409**
Cost of Risk	-1	0	-1	0	-1	0
Operating Income	**390**	**337**	**244**	**237**	**399**	**409**
Share of Earnings of Equity-Method Entities	48	36	30	-2	25	33
Other Non Operating Items	14	1	-2	-4	0	0
Pre-Tax Income	**453**	**373**	**272**	**231**	**424**	**442**
Cost/Income	**50.3%**	**53.3%**	**62.6%**	**61.3%**	**47.9%**	**48.3%**
Asset Under Management (€bn)	255	270	282	277	274	268
Allocated Equity (€bn, year to date)	7.2	7.2	9.4	9.2	9.1	9.0
RWA (€bn)	18.2	23.2	26.4	26.5	26.5	28.6

€m	2Q22	1Q22	4Q21	3Q21	2Q21	1Q21
Wealth and Asset Management						
Revenues	**936**	**929**	**984**	**885**	**919**	**861**
Operating Expenses and Dep.	**-672**	**-667**	**-754**	**-662**	**-634**	**-632**
Gross Operating Income	**264**	**262**	**230**	**223**	**285**	**229**
Cost of Risk	**-5**	**-7**	**8**	**-5**	**-2**	**-5**
Operating Income	**259**	**255**	**238**	**218**	**282**	**223**
Share of Earnings of Equity-Method Entities	**18**	**16**	**28**	**19**	**13**	**12**
Other Non Operating Items	**-1**	**38**	**0**	**0**	**2**	**96**
Pre-Tax Income	**276**	**310**	**265**	**237**	**297**	**331**
Cost/Income	**71.8%**	**71.8%**	**76.6%**	**74.8%**	**69.0%**	**73.4%**
Asset Under Management (€bn) with 100% of Private Banking in France, Belgium, Italy, Luxembourg, Poland, Turkey, the United States and Germany	942	974	995	944	930	906
Allocated Equity (€bn, year to date)	2.8	2.8	2.6	2.6	2.5	2.5
RWA (€bn)	26.5	25.5	24.8	23.6	23.9	22.7

€m	2Q22	1Q22	4Q21	3Q21	2Q21	1Q21
Wealth Management						
Revenues	**393**	**389**	**365**	**375**	**369**	**367**
Operating Expenses and Dep.	-285	-311	-290	-280	-270	-294
Gross Operating Income	**108**	**78**	**75**	**95**	**99**	**73**
Cost of Risk	-3	-7	1	-2	-6	-4
Operating Income	**105**	**71**	**77**	**93**	**93**	**69**
Share of Earnings of Equity-Method Entities	0	0	0	0	0	0
Other Non Operating Items	0	0	0	0	1	0
Pre-Tax Income	**105**	**71**	**77**	**93**	**94**	**69**
Cost/Income	**72.5%**	**79.9%**	**79.3%**	**74.7%**	**73.1%**	**80.1%**
Asset Under Management (€bn) with 100% of Private Banking in France, Belgium, Italy, Luxembourg, Poland, Turkey, the US and Germany	411	421	427	412	411	403
Allocated Equity (€bn, year to date)	1.3	1.3	1.2	1.3	1.3	1.3
RWA (€bn)	13.4	12.4	11.9	11.2	11.4	11.4

€m	2Q22	1Q22	4Q21	3Q21	2Q21	1Q21
Asset Management (including Real Estate & Principal Investment)						
Revenues	**543**	**540**	**619**	**510**	**550**	**494**
Operating Expenses and Dep.	-387	-356	-464	-381	-364	-338
Gross Operating Income	**156**	**184**	**155**	**128**	**186**	**156**
Cost of Risk	-2	1	6	-4	3	-1
Operating Income	**154**	**185**	**161**	**125**	**189**	**155**
Share of Earnings of Equity-Method Entities	18	16	28	19	13	12
Other Non Operating Items	-1	38	0	0	1	96
Pre-Tax Income	**171**	**239**	**189**	**144**	**203**	**262**
Cost/Income	**71.3%**	**65.9%**	**75.0%**	**74.8%**	**66.2%**	**68.4%**
Asset Under Management (€bn)	531	553	568	532	519	503
Allocated Equity (€bn, year to date)	1.5	1.5	1.3	1.3	1.3	1.2
RWA (€bn)	13.2	13.2	12.9	12.4	12.5	11.3

€m	2Q22	1Q22	4Q21	3Q21	2Q21	1Q21
Corporate and Institutional Banking						
Revenues	**4,106**	**4,702**	**3,264**	**3,588**	**3,714**	**3,670**
Operating Expenses and Dep.	-2,314	-3,353	-2,348	-2,243	-2,042	-2,834
Gross Operating Income	**1,792**	**1,349**	**915**	**1,346**	**1,672**	**836**
Cost of Risk	-76	-2	80	-24	-57	-172
Operating Income	**1,716**	**1,347**	**996**	**1,322**	**1,615**	**664**
Share of Earnings of Equity-Method Entities	9	4	6	9	10	9
Other Non Operating Items	-1	1	1	0	12	11
Pre-Tax Income	**1,724**	**1,353**	**1,003**	**1,331**	**1,637**	**683**
Cost/Income	**56.4%**	**71.3%**	**72.0%**	**62.5%**	**55.0%**	**77.2%**
Allocated Equity (€bn, year to date)	28.9	27.4	26.2	25.8	25.3	25.0
RWA (€bn)	260.7	256.2	234.8	236.7	231.8	224.9

€m	2Q22	1Q22	4Q21	3Q21	2Q21	1Q21
Global Banking						
Revenues	**1,248**	**1,268**	**1,324**	**1,282**	**1,238**	**1,243**
Operating Expenses and Dep.	-657	-815	-655	-640	-589	-768
Gross Operating Income	**591**	**453**	**669**	**642**	**649**	**475**
Cost of Risk	-85	20	72	-24	-64	-185
Operating Income	**505**	**473**	**741**	**618**	**585**	**290**
Share of Earnings of Equity-Method Entities	1	1	1	1	9	6
Other Non Operating Items	0	0	-1	-3	0	0
Pre-Tax Income	**506**	**474**	**740**	**616**	**594**	**296**
Cost/Income	**52.7%**	**64.3%**	**49.5%**	**49.9%**	**47.6%**	**61.8%**
Average loan outstandings (€bn)	176	168	161	156	154	149
Loan outstandings at the beginning of the quarter (€bn) (used for cost of risk in bp)	170	163	156	153	154	145
Average deposits (€bn)	198	190	185	184	185	184
Cost of risk (in annualised bp)	20	-5	-18	6	17	51
Allocated Equity (€bn, year to date)	16.0	15.2	14.3	14.0	13.5	13.6
RWA (€bn)	149.0	145.3	133.8	137.4	134.5	124.0

€m	2Q22	1Q22	4Q21	3Q21	2Q21	1Q21
Global Markets						
Revenues	**2,196**	**2,821**	**1,338**	**1,731**	**1,904**	**1,846**
incl. FICC	*1,317*	*1,700*	*755*	*896*	*1,148*	*1,149*
incl. Equity & Prime Services	*878*	*1,121*	*583*	*835*	*757*	*697*
Operating Expenses and Dep.	-1,158	-2,000	-1,224	-1,137	-999	-1,564
Gross Operating Income	**1,038**	**821**	**115**	**594**	**905**	**282**
Cost of Risk	8	-21	10	-2	5	14
Operating Income	**1,046**	**799**	**124**	**592**	**910**	**296**
Share of Earnings of Equity-Method Entities	8	2	5	2	5	2
Other Non Operating Items	-1	1	-5	4	2	3
Pre-Tax Income	**1,053**	**802**	**125**	**598**	**917**	**302**
Cost/Income	**52.7%**	**70.9%**	**91.4%**	**65.7%**	**52.5%**	**84.7%**
Allocated Equity (€bn, year to date)	11.5	10.9	10.7	10.7	10.7	10.4
RWA (€bn)	98.5	96.3	89.1	87.4	85.6	90.2

€m	2Q22	1Q22	4Q21	3Q21	2Q21	1Q21
Securities Services						
Revenues	**663**	**613**	**602**	**575**	**571**	**581**
Operating Expenses and Dep.	-499	-538	-469	-465	-454	-503
Gross Operating Income	**164**	**75**	**132**	**110**	**117**	**78**
Cost of Risk	0	0	-2	2	2	-1
Operating Income	**164**	**75**	**130**	**112**	**120**	**77**
Share of Earnings of Equity-Method Entities	0	1	0	6	-4	1
Other Non Operating Items	0	0	7	-1	10	7
Pre-Tax Income	**164**	**77**	**138**	**117**	**126**	**85**
Cost/Income	**75.3%**	**87.7%**	**78.0%**	**80.9%**	**79.4%**	**86.5%**
Assets under custody (€bn)	11,214	11,907	12,635	12,273	12,067	11,638
Assets under administration (€bn)	2,256	2,426	2,521	2,451	2,388	2,295
Number of transactions (in million)	38.3	38.6	35.5	32.8	33.3	35.7
Allocated Equity (€bn, year to date)	1.4	1.3	1.2	1.2	1.1	1.1
RWA (€bn)	13.2	14.6	11.8	11.8	11.7	10.6

€m	2Q22	1Q22	4Q21	3Q21	2Q21	1Q21
Corporate Centre						
Revenues	**-50**	**66**	**-5**	**-10**	**79**	**243**
Operating Expenses and Dep.	-168	-511	-264	-178	-217	-244
Incl. Restructuring, IT Reinforcement and Adaptation Costs	*-110*	*-76*	*-82*	*-62*	*-71*	*-77*
Gross Operating Income	**-218**	**-445**	**-269**	**-187**	**-138**	**0**
Cost of Risk	-63	-54	0	-38	-67	-54
Operating Income	**-281**	**-499**	**-269**	**-225**	**-205**	**-54**
Share of Earnings of Equity-Method Entities	19	23	4	13	-20	20
Other Non Operating Items	-66	-43	247	-61	298	292
Pre-Tax Income	**-328**	**-519**	**-18**	**-274**	**73**	**257**
Allocated Equity (€bn, year to date)	3.5	3.8	4.3	4.2	4.3	3.9
RWA (€bn)	28.3	22.1	28.7	33.4	32.4	35.2

ALTERNATIVE PERFORMANCE MEASURES (APM) ARTICLE 223-1 OF THE AMF'S GENERAL REGULATION

Alternative Performance Measures	Definition	Reason for use
Operating division profit and loss account aggregates (revenues, operating expenses, gross operating income, operating income, pre-tax income)	Sum of CPBS' profit and loss account aggregates (with Commercial & Personal Banking' profit and loss account aggregates, including 2/3 of private banking in France, Italy, Belgium, Luxembourg, Germany, Poland, Turkey and United States), IPS and CIB BNP Paribas Group profit and loss account aggregates = Operating division profit and loss account aggregates + Corporate Centre profit and loss account aggregates Reconciliation with Group profit and loss account aggregates is provided in the tables "Results by Core businesses"	Representative measure of the BNP Paribas Group's operating performance
Profit and loss account aggregates, excluding PEL/CEL effect (revenues, gross operating income, operating income, pre-tax income)	Profit and loss account aggregates, excluding PEL/CEL effect Reconciliation with Group profit and loss account aggregates is provided in the tables "Quarterly series"	Representative measure of the aggregates of the period excluding changes in the provision that accounts for the risk generated by PEL and CEL accounts during their lifetime
Profit and loss account aggregates of Commercial & Personal Banking activity with 100% of Private Banking	Profit and loss account aggregate of a Commercial & Personal Banking activity including the whole profit and loss account of Private Banking Reconciliation with Group profit and loss account aggregates is provided in the tables "Quarterly series"	Representative measure of the performance of Commercial & Personal Banking activity including the total performance of Private Banking (before sharing the profit & loss account with the Wealth Management business, Private Banking being under a joint responsibility of Commercial & Personal Banking (2/3) and Wealth Management business (1/3))
Evolution of operating expenses excluding IFRIC 21	Change in operating expenses excluding taxes and contributions subject to IFRIC 21.	Representative measure of the change in operating expenses' excluding the taxes and contributions subject to IFRIC 21 booked almost entirely in the 1st half of the year, given in order to avoid any confusion compared to other quarters
Cost/income ratio	Costs to income ratio	Measure of operational efficiency in the banking sector
Cost of risk/Customer loans at the beginning of the period (in basis points)	Cost of risk (in €m) divided by customer loans at the beginning of the period Details of the calculation are disclosed in the Appendix "Cost of risk on Outstandings" of the Results' presentation	Measure of the risk level by business in percentage of the volume of outstanding loans
Doubtful loans' coverage ratio	Relationship between stage 3 provisions and impaired outstandings (stage 3), balance sheet and off-balance sheet, netted for collateral received, for customers and credit institutions, including liabilities at amortised cost and debt securities at fair value through equity (excluding insurance business)	Measure of provisioning for doubtful loans
Net income Group share excluding exceptional items	Net income attributable to equity holders excluding exceptional items Details of exceptional items are disclosed in the slide "Main Exceptional Items" of the results' presentation	Measure of BNP Paribas Group's net income excluding non-recurring items of a significant amount or items that do not reflect the underlying operating performance, notably restructuring, adaptation, IT reinforcement and transformation costs.
Return on Equity (ROE)	Details of the ROE calculation are disclosed in the Appendix "Return on Equity and Permanent Shareholders' Equity" of the results' presentation	Measure of the BNP Paribas Group's return on equity
Return on Tangible Equity (ROTE)	Details of the ROTE calculation are disclosed in the Appendix "Return on Equity and Permanent Shareholders' Equity" of the results' presentation	Measure of the BNP Paribas Group's return on tangible equity

Methodology – Comparative analysis at constant scope and exchange rates

The method used to determine the effect of changes in scope of consolidation depends on the type of transaction (acquisition, sale, etc.). The underlying purpose of the calculation is to facilitate period-on-period comparisons.

In case of acquired or created entity, the results of the new entity are eliminated from the constant scope results of current-year periods corresponding to the periods when the entity was not owned in the prior-year.
In case of divested entities, the entity's results are excluded symmetrically for the prior year for quarters when the entity was not owned.
In case of change of consolidation method, the policy is to use the lowest consolidation percentage over the two years (current and prior) for results of quarters adjusted on a like-for-like basis.

Comparative analysis at constant exchange rates are prepared by restating results for the prior-year quarter (reference quarter) at the current quarter exchange rate (analysed quarter). All of these calculations are performed by reference to the entity's reporting currency.

Reminder

Operating expenses: sum of salary and employee benefit expenses, other operating expenses and depreciation, amortisation and impairment of property, plant and equipment. In the whole document, the terms operating expenses or costs can be used indifferently.

Operating divisions: they consist of 3 divisions:

- **Corporate and Institutional Banking (CIB)** including: Global Banking, Global Markets, and Securities Services.
- **Commercial, Personal Banking and Services (CPBS)** including:
  - Commercial & Personal Banking in France, in Belgium, in Italy, in Luxembourg, in Europe-Mediterranean and in the United-States;
  - Specialised businesses, with Arval & Leasing Solutions; BNP Paribas Personal Finance; New Digital Businesses (including Nickel, Lyf…) & Personal Investors;
- **Investment & Protection Services (IPS)** including: Insurance, Wealth and Asset Management, that includes Wealth Management, Asset Management, Real Estate and Principal Investments

1.3. Long term credit ratings

Long Term/Short Term Rating	S&P	Fitch	Moody's	DBRS
As at 25 March 2022	A+/A-1 (stable outlook)	AA-/F1+ (stable outlook)	Aa3/Prime-1 (stable outlook)	AA (low)/R-1 (middle) (stable outlook)
As at 3 May 2022	A+/A-1 (stable outlook)	AA-/F1+ (stable outlook)	Aa3/Prime-1 (stable outlook)	AA (low)/R-1 (middle) (stable outlook)
As at 29 July 2022	A+/A-1 (stable outlook)	AA-/F1+ (stable outlook)	Aa3/Prime-1 (stable outlook)	AA (low)/R-1 (middle) (stable outlook)
Date of last review	25 April 2022	23 September 2021	5 July 2022	28 June 2022

CONSOLIDATED FINANCIAL STATEMENTS

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CONSOLIDATED FINANCIAL STATEMENTS

Prepared in accordance with IFRS as adopted by the European Union

The consolidated financial statements of the BNP Paribas Group are presented for the first halves 2022 and 2021. In accordance with Article 20.1 of Annex I of European Commission Regulation (EC) 809/2004, the consolidated financial statements for the first half 2020 are provided in the updated, registered on 30 July 2021 under number D.21-0114-A03, Universal Registration Document filed with the Autorité des Marchés Financiers on 12 March 2021 under number D.21-0114.

On 18 December 2021, the Group concluded an agreement with BMO Financial Group for the sale of 100% of its retail and commercial banking activities in the United States operated by the BancWest cash-generating unit. The terms of this transaction fall within the scope of application of IFRS 5 relating to groups of assets and liabilities held for sale (see note 6.d *Discontinued activities*) leading to the restatement of the first half of 2021 to isolate the "Net income from discontinued activities" on a separate line. A similar reclassification is made in the statement of net income and changes in assets and liabilities recognised directly in equity and in the cash flow statement. The effect of this reclassification on the aggregates of the profit and loss statement is presented in note 3 *Segment Information.*

PROFIT AND LOSS ACCOUNT FOR THE FIRST HALF OF 2022

In millions of euros	Notes	First half 2022	First half 2021 *restated according to IFRS 5*
Interest income	2.a	16,915	14,862
Interest expense	2.a	(6,597)	(5,012)
Commission income	2.b	7,274	7,125
Commission expense	2.b	(2,215)	(2,087)
Net gain on financial instruments at fair value through profit or loss	2.c	5,582	4,070
Net gain on financial instruments at fair value through equity	2.d	110	107
Net gain on derecognised financial assets at amortised cost		(5)	13
Net income from insurance activities	2.e	2,295	2,318
Income from other activities	2.f	7,651	7,766
Expense on other activities	2.f	(6,320)	(6,798)
REVENUES FROM CONTINUING ACTIVITIES		**24,690**	**22,364**
Salary and employee benefit expense		(8,773)	(8,168)
Other operating expenses	2.g	(6,466)	(5,653)
Depreciation, amortisation and impairment of property, plant and equipment and intangible assets		(1,191)	(1,161)
GROSS OPERATING INCOME FROM CONTINUING ACTIVITIES		**8,260**	**7,382**
Cost of risk	2.h	(1,410)	(1,707)
OPERATING INCOME FROM CONTINUING ACTIVITIES		**6,850**	**5,675**
Share of earnings of equity-method entities		416	225
Net gain on non-current assets	2.i	(278)	660
Goodwill	4.l	258	-
PRE-TAX INCOME FROM CONTINUING ACTIVITIES		**7,246**	**6,560**
Corporate income tax from continuing activities	2.j	(2,119)	(2,073)
NET INCOME FROM CONTINUING ACTIVITIES		**5,127**	**4,487**
Net income from discontinued activities	6.d	365	368
NET INCOME		**5,492**	**4,855**
Net income attributable to minority interests		207	176
NET INCOME ATTRIBUTABLE TO EQUITY HOLDERS		**5,285**	**4,679**
Basic earnings per share	6.a	4.04	3.56
Diluted earnings per share	6.a	4.04	3.56

STATEMENT OF NET INCOME AND CHANGES IN ASSETS AND LIABILITIES RECOGNISED DIRECTLY IN EQUITY

In millions of euros	First half 2022	First half 2021 *restated according to IFRS 5*
Net income for the period	**5,492**	**4,855**
Changes in assets and liabilities recognised directly in equity	**(700)**	**615**
Items that are or may be reclassified to profit or loss	**(1,581)**	**(78)**
- Changes in exchange differences	1,587	570
- Changes in fair value of financial assets at fair value through equity		
Changes in fair value recognised in equity	*(558)*	*(331)*
Changes in fair value reported in net income	*(109)*	*(80)*
- Changes in fair value of investments of insurance activities		
Changes in fair value recognised in equity	*(1,985)*	*(274)*
Changes in fair value reported in net income	*(33)*	*(143)*
- Changes in fair value of hedging instruments		
Changes in fair value recognised in equity	*(823)*	*(374)*
Changes in fair value reported in net income	*(11)*	*(28)*
- Income tax	875	293
- Changes in equity-method investments, after tax	(303)	154
- Changes in discontinued activities, after tax	(221)	135
Items that will not be reclassified to profit or loss	**881**	**693**
- Changes in fair value of equity instruments designated as at fair value through equity	(24)	482
- Debt remeasurement effect arising from BNP Paribas Group issuer risk	584	(10)
- Remeasurement gains (losses) related to post-employment benefit plans	515	294
- Income tax	(268)	(96)
- Changes in equity-method investments, after tax	62	11
- Changes in discontinued activities, after tax	12	12
Total	**4,792**	**5,470**
- Attributable to equity shareholders	4,515	5,254
- Attributable to minority interests	277	216

BALANCE SHEET AT 30 JUNE 2022

In millions of euros	Notes	30 June 2022	31 December 2021
ASSETS			
Cash and balances at central banks		352,418	347,883
Financial instruments at fair value through profit or loss			
Securities	4.a	210,838	191,507
Loans and repurchase agreements	4.a	296,575	249,808
Derivative financial instruments	4.a	354,070	240,423
Derivatives used for hedging purposes		15,497	8,680
Financial assets at fair value through equity			
Debt securities	4.b	38,385	38,906
Equity securities	4.b	2,285	2,558
Financial assets at amortised cost			
Loans and advances to credit institutions	4.d	37,341	21,751
Loans and advances to customers	4.d	855,044	814,000
Debt securities	4.d	119,182	108,510
Remeasurement adjustment on interest-rate risk hedged portfolios		(4,047)	3,005
Financial investments of insurance activities	4.h	253,163	280,766
Current and deferred tax assets	4.j	5,509	5,866
Accrued income and other assets	4.k	212,154	179,123
Equity-method investments		6,699	6,528
Property, plant and equipment and investment property		36,070	35,083
Intangible assets		3,651	3,659
Goodwill	4.l	5,282	5,121
Assets held for sale	6.d	90,891	91,267
TOTAL ASSETS		**2,891,007**	**2,634,444**
LIABILITIES			
Deposits from central banks		3,250	1,244
Financial instruments at fair value through profit or loss			
Securities	4.a	128,819	112,338
Deposits and repurchase agreements	4.a	335,399	293,456
Issued debt securities	4.a	67,057	70,383
Derivative financial instruments	4.a	315,460	237,397
Derivatives used for hedging purposes		28,026	10,076
Financial liabilities at amortised cost			
Deposits from credit institutions	4.f	191,742	165,699
Deposits from customers	4.f	1,008,661	957,684
Debt securities	4.g	162,449	149,723
Subordinated debt	4.g	25,702	24,720
Remeasurement adjustment on interest-rate risk hedged portfolios		(14,993)	1,367
Current and deferred tax liabilities	4.j	3,105	3,103
Accrued expenses and other liabilities	4.k	198,481	145,399
Technical reserves and other insurance liabilities	4.i	231,779	254,795
Provisions for contingencies and charges	4.m	9,037	10,187
Liabilities associated with assets held for sale	6.d	76,504	74,366
TOTAL LIABILITIES		**2,770,478**	**2,511,937**
EQUITY			
Share capital, additional paid-in capital and retained earnings		*111,254*	*108,176*
Net income for the period attributable to shareholders		*5,285*	*9,488*
Total capital, retained earnings and net income for the period attributable to shareholders		**116,539**	**117,664**
Changes in assets and liabilities recognised directly in equity		(594)	222
Shareholders' equity		**115,945**	**117,886**
Minority interests	6.e	**4,584**	**4,621**
TOTAL EQUITY		**120,529**	**122,507**
TOTAL LIABILITIES AND EQUITY		**2,891,007**	**2,634,444**

CASH FLOW STATEMENT FOR THE FIRST HALF OF 2022

In millions of euros	Notes	First half 2022	First half 2021 *restated according to IFRS 5*
Pre-tax income from continuing activities		**7,246**	**6,560**
Pre-tax income from discontinued activities		**533**	**457**
Non-monetary items included in pre-tax net income and other adjustments		**8,567**	**8,993**
Net depreciation/amortisation expense on property, plant and equipment and intangible assets		3,304	3,228
Impairment of goodwill and other non-current assets		57	-
Net addition to provisions		3,179	6,729
Share of earnings of equity-method entities		(416)	(225)
Net expense (income) from investing activities		283	(659)
Net (income) from financing activities		(1,442)	(1,252)
Other movements		3,602	1,172
Net decrease (increase) related to assets and liabilities generated by operating activities		**(28,914)**	**41,718**
Net increase related to transactions with customers and credit institutions		23,214	96,819
Net decrease related to transactions involving other financial assets and liabilities		(46,477)	(49,100)
Net decrease related to transactions involving non-financial assets and liabilities		(4,682)	(4,856)
Taxes paid		(969)	(1,145)
NET DECREASE (INCREASE) IN CASH AND CASH EQUIVALENTS GENERATED BY OPERATING ACTIVITIES		**(12,568)**	**57,728**
Net increase related to acquisitions and disposals of consolidated entities		887	1,054
Net decrease related to property, plant and equipment and intangible assets		(1,164)	(400)
NET DECREASE (INCREASE) IN CASH AND CASH EQUIVALENTS RELATED TO INVESTING ACTIVITIES		**(277)**	**654**
Decrease in cash and cash equivalents related to transactions with shareholders		(6,323)	(2,606)
Increase in cash and cash equivalents generated by other financing activities		10,818	13,218
NET INCREASE IN CASH AND CASH EQUIVALENTS RELATED TO FINANCING ACTIVITIES		**4,495**	**10,612**
EFFECT OF MOVEMENT IN EXCHANGE RATES ON CASH AND CASH EQUIVALENTS		**401**	**84**
NET DECREASE (INCREASE) IN CASH AND CASH EQUIVALENTS		**(7,949)**	**69,078**
of which net decrease (increase) in cash and cash equivalents from discontinued activities	6.d	**(9,409)**	**6,001**
Balance of cash and cash equivalent accounts at the start of the period		**362,418**	**306,601**
Cash and amounts due from central banks		347,901	308,721
Due to central banks		(1,244)	(1,594)
On demand deposits with credit institutions		10,156	8,380
On demand loans from credit institutions	4.f	(9,105)	(8,995)
Deduction of receivables and accrued interest on cash and cash equivalents		156	89
Cash and cash equivalent accounts classified as "Assets held for sale"		14,554	
Balance of cash and cash equivalent accounts at the end of the period		**354,469**	**375,679**
Cash and amounts due from central banks		352,441	383,600
Due to central banks		(3,250)	(4,665)
On demand deposits with credit institutions	4.f	12,889	9,233
On demand loans from credit institutions		(13,560)	(12,983)
Deduction of receivables and accrued interest on cash and cash equivalents		804	494
Cash and cash equivalent accounts classified as "Assets held for sale"		5,145	-
NET DECREASE (INCREASE) IN CASH AND CASH EQUIVALENTS		**(7,949)**	**69,078**

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Capital and retained earnings				Changes in assets and liabilities recognised directly in equity that will not be reclassified to profit or loss				
In millions of euros	Share capital and additional paid-in-capital	Undated Super Subordinated Notes	Non-distributed reserves	Total	Financial assets designated as at fair value through equity	Own-credit valuation adjustment of debt securities designated as at fair value through profit or loss	Remeasurement gains (losses) related to post-employment benefit plans	Discontinued activities	Total
Balance at 1 January 2021	**27,053**	**9,948**	**76,294**	**113,295**	**461**	**(303)**	**154**		**312**
Retrospective application of the change in method related to social commitments			**74**	**74**					-
Appropriation of net income for 2020			**(1,386)**	**(1,386)**					-
Increases in capital and issues		1,026	(1)	1,025					-
Reduction or redemption of capital		(1,768)	(25)	(1,793)					-
Movements in own equity instruments	366	5	(42)	329					-
Remuneration on preferred shares and undated super subordinated notes			(213)	(213)					-
Movements in consolidation scope impacting minority shareholders (note 6.e)				-					-
Acquisitions of additional interests or partial sales of interests (note 6.e)			(11)	(11)					-
Change in commitments to repurchase minority shareholders' interests			2	2					-
Other movements			(15)	(15)					-
Realised gains or losses reclassified to retained			(7)	(7)	(3)	10			7
Changes in assets and liabilities recognised directly in equity				-	452	(7)	242		687
Net income for first half of 2021			**4,679**	**4,679**					-
Balance at 30 June 2021	**27,419**	**9,211**	**79,349**	**115,970**	**910**	**(300)**	**396**		**1,006**
Appropriation of net income for 2020			**(1,937)**	**(1,937)**					-
Reduction or redemption of capital	(897)		(1)	(898)					-
Movements in own equity instruments	(175)	(4)	60	(119)					-
Remuneration on preferred shares and undated super subordinated notes			(199)	(199)					-
Movements in consolidation scope impacting minority shareholders (note 6.e)				-					-
Acquisitions of additional interests or partial sales of interests (note 6.e)			19	19					-
Change in commitments to repurchase minority shareholders' interests			3	3					-
Other movements			6	6					-
Realised gains or losses reclassified to retained earnings			1	1	(8)	7			(1)
Changes in assets and liabilities recognised directly in equity				-	(62)	26	28		(8)
Net income for second half of 2021			**4,809**	**4,809**					-
Reclassification of discontinued activities				-			**125**	**(125)**	-
Balance at 31 December 2021	**26,347**	**9,207**	**82,110**	**117,66**	**840**	**(267)**	**549**	**(125)**	**997**
IAS 29 impact			**(39)**	**(39)**					-
Balance at 1 January 2022	**26,347**	**9,207**	**82,071**	**117,625**	**840**	**(267)**	**549**	**(125)**	**997**
Appropriation of net income for 2021			**(4,527)**	**(4,527)**					-
Increases in capital and issues		1,092		1,092					-
Reduction or redemption of capital		(2,430)	(123)	(2,553)					-
Movements in own equity instruments	(207)	(16)	(192)	(415)					-
Remuneration on preferred shares and undated super subordinated notes			(188)	(188)					-
Movements in consolidation scope impacting minority shareholders (note 6.e)				-					-
Change in commitments to repurchase minority shareholders' interests			3	3					-
Other movements			6	6					-
Realised gains or losses reclassified to retained			211	211	(215)	4			(211)
Changes in assets and liabilities recognised directly in equity				-	(24)	432	447	12	867
Net income for first half of 2022			**5,285**	**5,285**					-
Balance at 30 June 2022	**26,140**	**7,853**	**82,546**	**116,539**	**601**	**169**	**996**	**(113)**	**1,653**

BETWEEN 1 JANUARY 2021 AND 30 JUNE 2022

Changes in assets and liabilities recognised directly in equity that may be reclassified to profit or loss						Total shareholders' equity	Minority interests *(note 6.e)*	Total equity
Exchange differences	Financial assets at fair value through equity	Financial investments of insurance activities	Derivatives used for hedging purposes	Discontinued activities	Total			
(5,033)	557	2,234	1,434		(808)	112,799	4,550	117,349
					-	74.00		74.00
					-	(1,386)	(221)	(1,607)
					-	1,025	10	1,035
					-	(1,793)	(73)	(1,866)
					-	329		329
					-	(213)		(213)
					-		(125)	(125)
					-	(11)	37	26
					-	2	66	68
					-	(15)	12	(3)
873	(419)	(284)	(282)		(112)	575	40	615
					-	4,679	176	4,855
(4,160)	138	1,950	1,152		(920)	116,065	4,472	120,537
					-	(1,937)	-	(1,937)
					-	(898)		(898)
					-	(119)		(119)
					-	(199)		(199)
					-		(14)	(14)
					-	19	18	37
					-	3	(28)	(25)
					-	6	(3)	3
					-	-		-
512	(57)	(139)	(171)		145	137	(40)	97
					-	4,809	216	5,025
(687)	41		38	608	-	-		-
(4,335)	122	1,811	1,019	608	(775)	117,886	4,621	122,507
165					165	126.00	48	174
(4,170)	122	1,811	1,019	608	(610)	118,012	4,669	122,681
					-	(4,527)	(122)	(4,649)
					-	1,092	23	1,115
					-	(2,553)		(2,553)
					-	(415)		(415)
					-	(188)		(188)
					-	-	(136)	(136)
					-	3	(126)	(123)
					-	6.00	(1)	5
					-	-		-
1,800	(468)	(2,334)	(414)	(221)	(1,637)	(770)	70	(700)
					-	5,285	207	5,492
(2,370)	(346)	(523)	605	387	(2,247)	115,945	4,584	120,529

NOTES TO THE FINANCIAL STATEMENTS

Prepared in accordance with IFRS as adopted by the European Union

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES APPLIED BY THE GROUP

1.a ACCOUNTING STANDARDS

1.a.1 APPLICABLE ACCOUNTING STANDARDS

The consolidated financial statements of the BNP Paribas Group have been prepared in accordance with international accounting standards (International Financial Reporting Standards – IFRS), as adopted for use in the European Union[1]. Accordingly, certain provisions of IAS 39 on hedge accounting have been excluded.

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34 "Interim Financial Reporting". Some information on the nature and extent of risks relating to financial instruments as required by IFRS 7 "Financial Instruments: Disclosures" will be presented in the update A04 of the Universal Registration Document. This information provides credit risk exposures and related impairment broken down according to whether the underlying loans are performing or non performing status, by geographic area and by industry, as well as the details of loans and advances subject to moratoria or to public guarantee schemes in response to the health crisis.

This information is an integral part of the notes to the BNP Paribas Group's consolidated financial statements at 30 June 2022.

- In relation to the IBOR and Eonia rates reform, at the end of 2018 the Group launched a global programme, involving all business lines and functions. The aim of the programme is to manage and implement the transition from the old benchmark interest rates to the new ones in major jurisdictions and currencies (euro, pound sterling, US dollar, Swiss franc and Japanese yen), while reducing the risks associated with this transition and meeting the deadlines set by the competent authorities. The Group contributed to market-wide workshops with central banks and financial regulators.

  The announcements by public authorities in the United Kingdom and the United States and by the Libor administrator (ICE BA) at the end of November 2020 changed the transition period, which was initially scheduled to be completed by the end of 2021. For the GBP and JPY Libor, synthetic Libor has been published beyond the end of 2021 for use in certain contracts known as "tough legacy" contracts, i.e. contracts that have not switched from Libor to a replacement index. In the United States, the decision was taken to continue publishing the USD Libor until mid-2023, and a legislative solution was passed at the federal level in the first quarter of 2022 to address legacy contracts.

  For contracts referencing the CHF Libor which could not be renegotiated before it was phased out at end of 2021, the European Commission has provided a legislative solution replacing this rate with a daily capitalised SARON (Swiss Average Rate Overnight) rate, plus a spread aimed at ensuring the economic neutrality of this change.

  In Europe, the Eonia-€STR transition, which is purely technical given the fixed link between these two indices, was finalised at the end of December 2021 while the maintenance of Euribor on a sine die basis was confirmed.

  Based on the progress made to date, notably with the definition of a detailed plan and its execution, the Bank is confident in its operational capacity to manage the transition process of large volumes of transactions to the new benchmark rates.

[1] The full set of standards adopted for use in the European Union can be found on the website of the European Commission at: https://ec.europa.eu/info/business-economy-euro/company-reporting-and-auditing/company-reporting_en

The reform of IBOR rates exposes the Bank to various risks that the programme aims to manage closely, including in particular:

- change management risks, but also litigation and conduct risks linked to negotiations with customers and market counterparties to amend existing contracts;
- operational risks related to changes in the Bank's IT systems and processes;
- economic risks in case of financial market disturbances linked to the various transitions induced by the IBOR reform;
- valuation risks in a scenario of reduced liquidity during the transition in certain derivative market segments.

In September 2019, the IASB published "Phase 1" amendments to IAS 39 and IFRS 7, amending the hedge accounting requirements so that hedges affected by the benchmark interest rate reform can continue despite the uncertainty during the transition of the hedged items or hedging instruments to the reformed benchmark rates. These amendments, endorsed by the European Commission on 15 January 2020, have been applied by the Group since 31 December 2019.

In August 2020, the IASB published "Phase 2" amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 introducing several changes applicable during the effective transition to the new benchmark interest rates. These amendments allow for changes in the contractual cash flows of financial instruments resulting from the IBOR rates reform to be treated as a simple reset of their variable interest rate, provided, however, that such changes are made on an economically equivalent basis. They also allow the continuation of hedging relationships, subject to amendments to their documentation to reflect changes in hedged instruments, hedging instruments, hedged risk, and/or the method for measuring effectiveness during the transition to the new benchmark rates. The measures introduced in this framework also include:

- the possibility of documenting an interest rate as a hedged risk component even if this rate is not immediately separately identifiable, provided that it can reasonably be expected to become so within 24 months;
- the possibility of resetting cumulative fair value changes to zero in the hedge ineffectiveness test;
- and the obligation in the framework of portfolio hedges to isolate in subgroups instruments referring to the new risk-free rates (RFR).

These amendments, adopted by the European Commission in December 2020, have been applied by the Group since 31 December 2020 to maintain its existing hedging relationships which have been modified as a result of the transition to the new RFRs.

The Group has documented hedging relationships in respect of the benchmark interest rates in the scope of the reform, mainly Eonia, Euribor, and Libor. For these hedging relationships, the hedged items and hedging instruments will be progressively amended, where necessary, to incorporate the new rates. The "Phase 1" amendments to IAS 39 and IFRS 7 are applicable when the contractual terms of the hedged instruments or of the hedging instruments have not yet been amended (i.e. with the inclusion of a "fallback" clause), or, if they have been amended, when the terms and the date of the transition to the new benchmark interest rates have not been clearly stipulated. Conversely, the "Phase 2" amendments are applicable when the contractual terms of the hedged instruments or of the hedging instruments have been amended, and the terms and date of transition to the new benchmark interest rates have been clearly stipulated.

At 31 December 2021, 112,405 contracts remained backed by USD Libor, including 72,867 contracts with a maturity date beyond 30 June 2023, including 54,628 derivative contracts.

- In May 2021, the IFRIC (IFRS Interpretations Committee) issued a proposal for a decision, validated by the International Accounting Standards Board, which modifies the way of calculating the social commitments for certain defined benefit plans such as indemnities payable on retirement. These plans, essentially French, gradually grant entitlement to benefits which will only be paid in the event of effective retirement while applying a cap to the number of years of entitlement. Previously, benefits were recognised on a straight-line basis from the date of joining the company until the effective date of retirement without taking into account the entitlements cap. They are now recognised on a straight-line basis, from the beginning of the acquisition of the rights up to the date of retirement. The resulting adjustment net of tax of EUR 74 million is recognised at 1 January 2021 as an increase in Equity.

- On 16 March 2022, the International Practices Task Force (IPTF) of the Center for Audit Quality (CAQ) included Turkey in the list of economies in hyperinflation, the cumulative inflation rate over three years having reached 100.6% at the end of February 2022. Consequently, the Group applies IAS 29 "Financial Informations in Hyperinflationary Economies" for the presentation of the financial statements of its consolidated subsidiaries in Turkey.

  Thus, for these subsidiaries, all of the non-monetary assets and liabilities, including shareholders' equity, and each of the lines of the income statement, are revalued according to the evolution of the Consumer Price Index (CPI). This revaluation between 1 January and the closing date resulted in the recognition of a gain or loss on the net monetary position, recorded within the line “Net gains on non-current assets” (see note 2.i). The accounts of these subsidiaries were converted into euros at the closing rate, in accordance with the specific provisions of IAS 21 "Effects of changes in foreign exchange rates" applicable to the translation of the accounts of entities located in hyperinflation countries.

  In accordance with the provisions of the IFRIC decision of March 2020 on the classification on the effects of the indexation and conversion of the accounts of subsidiaries in a hyperinflationary economy, the Group has opted to present these effects (including the effect on the net position of the date of first application of IAS 29) in changes in assets and liabilities recognised directly in equity relative to exchange differences.

  At 1 January 2022, the first-time application of IAS 29 resulted in a EUR 174 million increase in Equity, of which EUR 227 million in “Changes in assets and liabilities recognised directly in equity – exchange differences”.

The introduction of other standards, amendments and interpretations that are mandatory as from 1 January 2022 had no effect on the Group financial statements at 30 June 2022.

The Group did not early adopt any of the new standards, amendments, and interpretations adopted by the European Union, when the application in 2021 was optional.

1.a.2 NEW MAJOR ACCOUNTING STANDARDS, PUBLISHED BUT NOT YET APPLICABLE

IFRS 17 “Insurance Contracts”, issued in May 2017 and amended in June 2020 will replace IFRS 4 “Insurance Contracts”. It was adopted by the European Union in November 2021, accompanied by an optional exemption from the application of the annual cohort grouping requirement for participating contracts based on intergenerational mutualisation of returns on the underlying assets of the technical commitments. It will be mandatory for financial periods beginning on or after 1 January 2023. The transition date for IFRS 17 will therefore be 1 January 2022 for the purposes of the opening balance sheet of the comparative period required by the standard.

As the Group has deferred the application of IFRS 9 for its insurance entities until the entry into force of IFRS 17 (see note 1.a), it will therefore apply this standard from 1 January 2023.

The amendment to IFRS 17 relating to the presentation of the IFRS 9/IFRS 17 comparative information, published by the IASB in December 2021, was approved by the Accounting Regulatory Committee (ARC) on 20 April 2022 but has not yet been approved by the European Union.

Scope

IFRS 17 applies to insurance contracts issued, reinsurance contracts issued and held and investment contracts with a discretionary participation feature issued (if the entity also issues insurance contracts). The definition of an insurance contract is unchanged from IFRS 4, with the exception of the assessment of the risk of loss for the insurer which must be performed on a present value basis.

Accounting and measurement

The accounting and measurement of insurance contracts are performed by groups of contracts within portfolios of contracts covering similar risks and managed together. Groups of contracts are determined according to their expected profitability at inception: onerous contracts, profitable contracts with a low risk of becoming onerous, and others. A group of contracts may contain only contracts issued at a maximum of one-year interval (corresponding to an annual “cohort”), except where the optional exemption provided for in the European regulation applies.

- General measurement model (Building Block Approach – BBA)

The general model for the measurement of insurance contracts is the best estimate of the future cash flows to be paid or received necessary to meet contractual obligations. This estimate should reflect the different possible scenarios and the effect of the options and guarantees included in the contracts on the limit or “contracts’ boundary” determined according to the standard. Cash flows are discounted to reflect the time value of money. They correspond only to cash flows attributable to insurance contracts either directly or through allocation methods: premiums, acquisition and contract management costs, claims and benefits, indirect costs, taxes and depreciation of tangible and intangible assets. The cash flows estimate is supplemented by an explicit risk adjustment to cover the uncertainty for non-financial risk. These two elements constitute the fulfilment cash flows of the contracts. A contractual service margin is added representing the expected result on future services related to a group of contracts: if positive, it is shown on the balance sheet within the insurance contract’s measurement and amortised as the services are rendered; if negative, it is recognised immediately in the income statement and then reversed over the life of the contracts or when the contracts become profitable again. Acquisition costs paid prior to the initial recognition of a group of contracts are first recognised in the balance sheet (and presented as deduction from liabilities of insurance assets depending on the global position of the portfolio) and then deducted from the contractual service margin of the group of contracts to which they relate at the time of initial recognition.

At each reporting date, the book value of a group of insurance contracts is the sum of the liabilities for the remaining coverage (which include the fulfilment cash flows related to future services and the contractual service margin remaining at that date) and the liabilities for incurred claims (which include only the fulfilment cash flows for claims incurred, without any contractual service margin). The assumptions used to estimate future cash flows and the non-financial risk adjustment are updated, as well as the discount rate, to reflect the situation at reporting date. The contractual service margin is adjusted for changes in the estimates of the non-financial assumptions related to future services and then amortised in the income statement for services rendered over the period. The release of the expected contractual cash flows for the period and the variation in the estimates for past services are recorded in the income statement. The effect of the unwinding of the discount on the liabilities related to the passage of time is recorded in the income statement as well as the effect of the change in the discount rate. These effects may, however, be recognised as an option in equity.

- Measurement model for contracts with direct participation feature (Variable Fee Approach – VFA)

In the case of direct participating contracts, where the insurer has to pay the policyholder an amount corresponding to the market or model value of clearly identified underlying assets, less a variable compensation, a specific model (called the “Variable Fee Approach”) has been developed by adapting the general model.

At each reporting date, the liabilities of these contracts are adjusted for the return earned and changes in the market or model value of the underlying assets: the policyholders’ share is recorded in the contract fulfilment cash flows against the profit or loss and the insurer’s share feeds the contractual service margin. The result of these contracts is therefore essentially represented by the release of the fulfilment cash flows and the amortisation of the contractual service margin. When the underlying assets fully match the liabilities and are measured at market value through profit or loss, the financial result of these contracts should be zero. If certain underlying assets are not measured at market value through profit or loss, the insurer may choose to reclassify the change in liabilities related to these assets to equity.

- Simplified measurement model (Premium Allocation Approach – PAA)

Short-term contracts (less than one year) may be measured using a simplified approach known as the Premium Allocation Approach, also applicable to longer-term contracts if it leads to results similar to those of the general model. For profitable contracts, the liability for the remaining coverage is measured on the basis of the deferral of premiums collected according to a logic similar to that used under IFRS 4. Onerous contracts and liabilities for incurred claims are valued according to the general model. Liabilities are discounted only if the effect of the passage of time is significant.

At each reporting date, the adjustment of liabilities for remaining coverage and for incurred claims is recognised in profit or loss.

Presentation in the balance sheet and in the income statement

Pursuant to changes in IAS 1 resulting from IFRS 17:

- Insurance (and reinsurance) contracts issued and reinsurance contracts held are shown in the balance sheet as assets or liabilities according to the overall position of the portfolios to which they belong;

- The various income and expenses of insurance and reinsurance contracts are broken down in the profit and loss into:

    - Insurance revenues: release of fulfilment cash flows for the expected amount over the period (excluding investment components[1]), change in the risk adjustment, amortisation of the contractual service margin for services rendered, amount allocated for the amortisation of acquisition cost, and amortisation of the loss component;

    - Insurance service expenses: actual charges attributable to insurance contracts incurred over the period (excluding repayments of investment components) and changes related to past service, amortisation of acquisition costs, and loss component at the initial cognition of onerous contracts;

    - Insurance finance income or expenses: change in the book value of insurance contracts resulting from the effect of the time value of money and the financial risk and their changes (with the exception of those adjusting the contractual service margin in the case of direct participating contracts), for the portion which has not been included directly in equity by option.

Terms of application and main accounting options contemplated by the Group

The main contracts in the scope of IFRS 17 issued by the Group are contracts covering risks related to persons or property and life savings contracts.

Creditor protection insurance (CPI), personal protection insurance and other non-life risks will be evaluated either, according to the general model or, if the conditions are met, according to the simplified approach. BNP Paribas considers for the constitution of portfolios of homogeneous contracts the following discriminatory criteria: legal entity, nature of risks and partner provider. The discount rate is based on the risk-free rate adjusted for the illiquidity of the liabilities. The risk adjustment is determined using the quantile method. The coverage unit used to amortise the contractual service margin is derived from the risk premium earned during the period.

Life and savings contracts consist of single and “multi-supports” contracts with or without insurance risk including a discretionary participation component backed by euro or foreign currency funds (generally financial and real estate assets), and unit-linked contracts with a floor guarantee in the case of death. These different types of contracts meet the definition of direct participating contracts and will therefore be evaluated using the variable fee approach. Where such contracts include a surrender value, this meets the definition of a non-distinct investment component. BNP Paribas considers the following criteria for the life and savings portfolios: legal entity, product, and underlying asset. The discount rate is based on the risk-free rate, extrapolated over a period exceeding the observable data and adjusted by a liquidity premium based on the underlying assets. The risk adjustment is determined using the cost of capital method. The coverage unit used to amortise the contractual service margin is the change in savings due to policyholders (determined at present value), adjusted to take into account the impact of the real return on diversified

[1] A non-separate investment component corresponds to the amount that would be paid to the insurer in all cases, whether the covered loss event occurs.

financial assets compared to the neutral actuarial risk projection. The Group has chosen to apply the option introduced by the European regulation not to divide by annual cohort the portfolios of participating contracts based on intergenerational mutualisation. This option should apply to insurance contracts and investment contracts with discretionary participation eligible to the variable fee approach, euro or “multi-supports” including a euro fund, for which the policyholders’ participation in the returns is pooled among the different generations of policyholders in France, Italy and Luxembourg.

The Group has chosen to present its accounts in the format proposed by the French Accounting Standards Authority (*Autorité des Normes Comptables*) Recommendation No 2022-01 of 8 April 2022, as follows. Insurance finance income or expenses for contracts issued will be presented separately between profit and loss and equity in accordance with the options provided by the standard. Under the option introduced by the recommendation, the Group has planned to present the investments of insurance activities and their income separately from the financial assets and liabilities of banking activity.

Status of the implementation project and expected impacts at transition

Launched in 2017, the IFRS 17 implementation project will continue until the date of first application of the standard. The deployment of the new modelling and reporting tools is progressing according to the defined timetable. Some options are awaiting finalisation on the basis of the studies still in progress and the interpretations of standards under discussion.

The transition from IFRS 4 to IFRS 17 will result in the offsetting in equity of the assets and liabilities of insurance contracts recognised in accordance with the previous standard: insurance liabilities and reinsurance assets held that are not measured in accordance with IFRS 17, deferred policyholders’ participation arising from “shadow accounting” and intangible assets specific to insurance contracts when recognised. Receivables and liabilities related to insurance or reinsurance contracts must be attached to the new valuation of liabilities.

IFRS 17 applies retroactively to all contracts outstanding at the transition date, i.e. 1 January 2022 due to the mandatory comparative period. Three transition methods may be used: a full retrospective approach and, if this cannot be implemented, a modified retrospective approach or an approach based on the market or model value of the contracts at the transition date. Because of the operational difficulties in implementing the full retrospective approach, the opening balance sheet should be based mainly on the use of the modified retrospective approach on the main portfolios and marginally on the market or model value approach on certain small portfolios.

The IFRS 9 implementation project at the level of the Insurance business line drew heavily on the experience of other business lines in the Group already applying this standard, in particular to ensure consistency in classification. In accordance with the criteria of the business model and of the contractual cash flows, debt instruments will largely be valued under the “held to collect and sell” model, with the exception of unit-linked contracts which will be classified at market or model value through profit or loss. The majority of equity instruments will be measured at market value through profit or loss. Since the beginning of 2022, financial assets have been monitored according to both IAS 39 and IFRS 9. The Group is planning to use the optional “overlay classification” approach introduced by the amendment to IFRS 17 relating to the presentation of IFRS 9 - IFRS 17 comparisons, which allows financial assets to be presented in the 2022 comparative as if IFRS 9 were applicable at that date. This choice would apply to all financial instruments, including those derecognised in 2022, both in terms of classification and valuation (including impairment).

The Group is also planning to apply the amendments to IAS 40 and IAS 16 resulting from IFRS 17, leading to the valuation of buildings held as underlying components of direct participating contracts at market value through profit or loss.

Regarding insurance contracts, a full valuation exercise is planned during 2022 to establish the opening balance sheet on 1 January 2022 and the comparative period for the first half of 2022.

1.b CONSOLIDATION

1.b.1 SCOPE OF CONSOLIDATION

The consolidated financial statements of BNP Paribas include entities that are controlled by the Group, jointly controlled, and under significant influence, with the exception of those entities whose consolidation is regarded as immaterial to the Group. Companies that hold shares in consolidated companies are also consolidated.

Subsidiaries are consolidated from the date on which the Group obtains effective control. Entities under temporary control are included in the consolidated financial statements until the date of disposal.

1.b.2 CONSOLIDATION METHODS

Exclusive control

Controlled enterprises are fully consolidated. The Group controls a subsidiary when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

For entities governed by voting rights, the Group generally controls the entity if it holds, directly or indirectly, the majority of the voting rights (and if there are no contractual provisions that alter the power of these voting rights) or if the power to direct the relevant activities of the entity is conferred on it by contractual agreements.

Structured entities are entities established so that they are not governed by voting rights, for instance when those voting rights relate to administrative tasks only, whereas the relevant activities are directed by means of contractual arrangements. They often have the following features or attributes: restricted activities, a narrow and well-defined objective and insufficient equity to permit them to finance their activities without subordinated financial support.

For these entities, the analysis of control shall consider the purpose and design of the entity, the risks to which the entity is designed to be exposed and to what extent the Group absorbs the related variability. The assessment of control shall consider all facts and circumstances able to determine the Group's practical ability to make decisions that could significantly affect its returns, even if such decisions are contingent on uncertain future events or circumstances.

In assessing whether it has power, the Group considers only substantive rights which it holds or which are held by third parties. For a right to be substantive, the holder must have the practical ability to exercise that right when decisions about the relevant activities of the entity need to be made.

Control is reassessed if facts and circumstances indicate that there are changes to one or more of the elements of control.

Where the Group contractually holds the decision-making power, for instance where the Group acts as fund manager, it shall determine whether it is acting as agent or principal. Indeed, when associated with a certain level of exposure to the variability of returns, this decision-making power may indicate that the Group is acting on its own account and that it thus has control over those entities.

Minority interests are presented separately in the consolidated profit and loss account and balance sheet within consolidated equity. The calculation of minority interests takes into account the outstanding cumulative preferred shares classified as equity instruments issued by subsidiaries, when such shares are held outside the Group.

As regards fully consolidated funds, units held by third-party investors are recognised as debts at fair value through profit or loss, inasmuch as they are redeemable at fair value at the subscriber’s initiative.

For transactions resulting in a loss of control, any equity interest retained by the Group is remeasured at its fair value through profit or loss.

Joint control

Where the Group carries out an activity with one or more partners, sharing control by virtue of a contractual agreement which requires unanimous consent on relevant activities (those that significantly affect the entity's returns), the Group exercises joint control over the activity. Where the jointly controlled activity is structured through a separate vehicle in which the partners have rights to the net assets, this joint venture is accounted for using the equity method. Where the jointly controlled activity is not structured through a separate vehicle or where the partners have rights to the assets and obligations for the liabilities of the jointly controlled activity, the Group accounts for its share of the assets, liabilities, revenues and expenses in accordance with the applicable IFRS.

Significant influence

Companies over which the Group exercises significant influence or associates are accounted for by the equity method. Significant influence is the power to participate in the financial and operating policy decisions of a company without exercising control. Significant influence is presumed to exist when the Group holds, directly or indirectly, 20% or more of the voting rights of a company. Interests of less than 20% can be included in the consolidation scope if the Group effectively exercises significant influence. This is the case for example for entities developed in partnership with other associates, where the BNP Paribas Group participates in strategic decisions of the enterprise through representation on the Board of Directors or equivalent governing body, or exercises influence over the enterprise's operational management by supplying management systems or senior managers, or provides technical assistance to support the enterprise's development.

Changes in the net assets of associates (companies accounted for under the equity method) are recognised on the assets side of the balance sheet under "Investments in equity-method entities" and in the relevant component of shareholders' equity. Goodwill recorded on associates is also included under "Equity-method investments".

Whenever there is an indication of impairment, the carrying amount of the investment consolidated under the equity method (including goodwill) is subjected to an impairment test, by comparing its recoverable value (the higher of value-in-use and market value less costs to sell) to its carrying amount. Where appropriate, impairment is recognised under "Share of earnings of equity-method entities" in the consolidated income statement and can be reversed at a later date.

If the Group's share of losses of an equity-method entity equals or exceeds the carrying amount of its investment in this entity, the Group discontinues including its share of further losses. The investment is reported at nil value. Additional losses of the equity-method entity are provided for only to the extent that the Group has contracted a legal or constructive obligation, or has made payments on behalf of this entity.

Where the Group holds an interest in an associate, directly or indirectly through an entity that is a venture capital organisation, a mutual fund, an open-ended investment company or similar entity such as an investment-related insurance fund, it may elect to measure that interest at fair value through profit or loss.

Realised gains and losses on investments in consolidated undertakings are recognised in the profit and loss account under "Net gain on non-current assets".

The consolidated financial statements are prepared using uniform accounting policies for similar transactions and other events occurring in similar circumstances.

1.b.3 CONSOLIDATION RULES

- **Elimination of intragroup balances and transactions**

Intragroup balances arising from transactions between consolidated enterprises, and the transactions themselves (including income, expenses and dividends), are eliminated. Profits and losses arising from intragroup sales of assets are eliminated, except where there is an indication that the asset sold is impaired. Unrealised gains and losses included in the value of financial instruments at fair value through equity and available-for-sale assets are maintained in the consolidated financial statements.

- **Translation of accounts expressed in foreign currencies**

The consolidated financial statements of BNP Paribas are prepared in euros.

The financial statements of enterprises whose functional currency is not the euro are translated using the closing rate method. Under this method, all assets and liabilities, both monetary and non-monetary, are translated using the spot exchange rate at the balance sheet date. Income and expense items are translated at the average rate for the period.

Financial statements of the Group's subsidiaries located in hyperinflationary economies, previously adjusted for inflation by applying a general price index, are translated using the closing rate. This rate applies to the translation of assets and liabilities as well as income and expenses.

Differences arising from the translation of balance sheet items and profit and loss items are recorded in shareholders' equity under "Exchange differences", and in "Minority interests" for the portion attributable to outside investors. Under the optional treatment permitted by IFRS 1, the Group has reset to zero all translation differences, by booking all cumulative translation differences attributable to shareholders and to minority interests in the opening balance sheet at 1 January 2004 to retained earnings.

On liquidation or disposal of some or all of an interest held in a foreign enterprise located outside the eurozone, leading to a change in the nature of the investment (loss of control, loss of significant influence or loss of joint control without keeping a significant influence), the cumulative exchange difference at the date of liquidation or sale, determined according to the step method, is recognised in the profit and loss account.

Should the percentage of interest change without leading to a modification in the nature of the investment, the exchange difference is reallocated between the portion attributable to shareholders and that attributable to minority interests if the entity is fully consolidated; if the entity is consolidated under the equity method, it is recorded in profit or loss for the portion related to the interest sold.

1.b.4 BUSINESS COMBINATION AND MEASUREMENT OF GOODWILL

- **Business combinations**

Business combinations are accounted for using the purchase method.

Under this method, the acquiree's identifiable assets and liabilities assumed are measured at fair value at the acquisition date except for non-current assets classified as assets held for sale which are accounted for at fair value less costs to sell.

The acquiree's contingent liabilities are not recognised in the consolidated balance sheet unless they represent a present obligation on the acquisition date and their fair value can be measured reliably.

The cost of a business combination is the fair value, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued to obtain control of the acquiree. Costs directly attributable to the business combination are treated as a separate transaction and recognised through profit or loss.

Any contingent consideration is included in the cost, as soon as control is obtained, at fair value on the date when control was acquired. Subsequent changes in the value of any contingent consideration recognised as a financial liability are recognised through profit or loss.

The Group may recognise any adjustments to the provisional accounting within 12 months of the acquisition date.

Goodwill represents the difference between the cost of the combination and the acquirer's interest in the net fair value of the identifiable assets and liabilities of the acquiree at the acquisition date. Positive goodwill is recognised in the acquirer's balance sheet, while negative goodwill is recognised immediately in profit or loss, on the acquisition date. Minority interests are measured at their share of the fair value of the acquiree's identifiable assets and liabilities. However, for each business combination, the Group can elect to measure minority interests at fair value, in which case a proportion of goodwill is allocated to them. To date, the Group has never used this latter option.

Goodwill is recognised in the functional currency of the acquiree and translated at the closing exchange rate.

On the acquisition date, any previously held equity interest in the acquiree is remeasured at its fair value through profit or loss. In the case of a step acquisition, the goodwill is therefore determined by reference to the acquisition-date fair value.

Since the revised IFRS 3 has been applied prospectively, business combinations completed prior to 1 January 2010 were not restated for the effects of changes to IFRS 3.

As permitted under IFRS 1, business combinations that took place before 1 January 2004 and were recorded in accordance with the previously applicable accounting standards (French GAAP), had not been restated in accordance with the principles of IFRS 3.

- **Measurement of goodwill**

The BNP Paribas Group tests goodwill for impairment on a regular basis.

- Cash-generating units

The BNP Paribas Group has split all its activities into cash-generating units[1] representing major business lines. This split is consistent with the Group's organisational structure and management methods, and reflects the independence of each unit in terms of results and management approach. It is reviewed on a regular basis in order to take account of events likely to affect the composition of cash-generating units, such as acquisitions, disposals and major reorganisations.

- Testing cash-generating units for impairment

Goodwill allocated to cash-generating units is tested for impairment annually and whenever there is an indication that a unit may be impaired, by comparing the carrying amount of the unit with its recoverable amount. If the recoverable amount is less than the carrying amount, an irreversible impairment loss is recognised, and the goodwill is written down by the excess of the carrying amount of the unit over its recoverable amount.

- Recoverable amount of a cash-generating unit

The recoverable amount of a cash-generating unit is the higher of the fair value of the unit less costs to sell, and its value in use.

Fair value is the price that would be obtained from selling the unit at the market conditions prevailing at the date of measurement, as determined mainly by reference to actual prices of recent transactions involving similar entities or on the basis of stock market multiples for comparable companies.

Value in use is based on an estimate of the future cash flows to be generated by the cash-generating unit, derived from the annual forecasts prepared by the unit's management and approved by Group Executive Management, and from analyses of changes in the relative positioning of the unit's activities on their market. These cash flows are discounted at a rate that reflects the return that investors would require from an investment in the business sector and region involved.

(3) As defined by IAS 36.

1.c TRANSLATION OF FOREIGN CURRENCY TRANSACTIONS

The methods used to account for assets and liabilities relating to foreign currency transactions entered into by the Group, and to measure the foreign exchange risk arising on such transactions, depend on whether the asset or liability in question is classified as a monetary or a non-monetary item.

- **Monetary assets and liabilities[1] expressed in foreign currencies**

Monetary assets and liabilities expressed in foreign currencies are translated into the functional currency of the relevant Group entity at the closing rate. Foreign exchange differences are recognised in the profit and loss account, except for those arising from financial instruments designated as a cash flow hedge or a net foreign investment hedge, which are recognised in shareholders' equity.

- **Non-monetary assets and liabilities expressed in foreign currencies**

Non-monetary assets may be measured either at historical cost or at fair value. Non-monetary assets expressed in foreign currencies are translated using the exchange rate at the date of the transaction (i.e. date of initial recognition of the non-monetary asset) if they are measured at historical cost, and at the closing rate if they are measured at fair value.

Foreign exchange differences relating to non-monetary assets denominated in foreign currencies and recognised at fair value (equity instruments) are recognised in profit or loss when the asset is classified in "Financial assets at fair value through profit or loss" and in equity when the asset is classified under "Financial assets at fair value through equity".

1.d NET INTEREST INCOME, COMMISSIONS AND INCOME FROM OTHER ACTIVITIES

1.d.1 NET INTEREST INCOME

Income and expenses relating to debt instruments measured at amortised cost and at fair value through shareholders' equity are recognised in the income statement using the effective interest rate method.

The effective interest rate is the rate that ensures the discounted value of estimated future cash flows through the expected life of the financial instrument or, when appropriate, a shorter period, is equal to the carrying amount of the asset or liability in the balance sheet. The effective interest rate measurement takes into account all fees received or paid that are an integral part of the effective interest rate of the contract, transaction costs, and premiums and discounts.

Commissions considered as an additional component of interest are included in the effective interest rate and are recognised in the profit and loss account in "Net interest income". This category includes notably commissions on financing commitments when it is considered that the setting up of a loan is more likely than unlikely. Commissions received in respect of financing commitments are deferred until they are drawn and then included in the effective interest rate calculation and amortised over the life of the loan. Syndication commissions are also included in this category for the portion of the commission equivalent to the remuneration of other syndication participants.

[4] Monetary assets and liabilities are assets and liabilities to be received or paid in fixed or determinable amounts of cash.

1.d.2 COMMISSIONS AND INCOME FROM OTHER ACTIVITIES

Commissions received with regards to banking and similar services provided (except for those that are integral part of the effective interest rate), revenues from property development and revenues from services provided in connection with lease contracts fall within the scope of IFRS 15 “Revenue from Contracts with Customers”.

This standard defines a single model for recognising revenue based on five-step principles. These five steps enable to identify the distinct performance obligations included in the contracts and allocate the transaction price among them. The income related to those performance obligations is recognised as revenue when the latter are satisfied, namely when the control of the promised goods or services has been transferred.

The price of a service may contain a variable component. Variable amounts may be recognised in the income statement only if it is highly probable that the amounts recorded will not result in a significant downward adjustment.

Commission

The Group records commission income and expense in profit or loss:

- either over time as the service is rendered when the client receives continuous service. These include, for example, certain commissions on transactions with customers when services are rendered on a continuous basis, commissions on financing commitments that are not included in the interest margin, because the probability that they give rise to the drawing up of a loan is low, commissions on financial collateral, clearing commissions on financial instruments, commissions related to trust and similar activities, securities custody fees, *etc*.

  Commissions received under financial guarantee commitments are deemed to represent the initial fair value of the commitment. The resulting liability is subsequently amortised over the term of the commitment, in Commission income;

- or at a point in time when the service is rendered, in other cases. These include, for example, distribution fees received, loan syndication fees remunerating the arrangement service, advisory fees, *etc*.

Income from other activities

Income from property development as well as income from services provided in connection with lease contracts is recorded under ‘income from other activities’ in the income statement.

As regards property development income, the Group records it in profit or loss:

- over time, when the performance obligation creates or enhances an asset on which the customer obtains control as it is created or enhanced (e.g. work in progress controlled by the client on the land in which the asset is located, *etc.*), or where the service performed does not create an asset that the entity could otherwise use and gives it enforceable right to payment for performance completed to date. This is the case for contracts such as VEFA (sale in the future state of completion) in France.
- at completion in other cases.

Regarding income from services provided in connection with lease contracts, the Group records them in profit or loss as the service is rendered, i.e. in proportion to the costs incurred for maintenance contracts.

1.e FINANCIAL ASSETS AND LIABILITIES

Financial assets, except those relating to insurance activities (see note 1.f) are classified at amortised cost, at fair value through shareholders' equity or at fair value through profit or loss depending on the business model and the contractual features of the instruments at initial recognition.

Financial liabilities are classified at amortised cost or at fair value through profit or loss at initial recognition.

Financial assets and liabilities are recognised in the balance sheet when the Group becomes a party to the contractual provisions of the instrument. Purchases and sales of financial assets made within a period established by the regulations or by a convention in the relevant marketplace are recognised in the balance sheet at the settlement date.

1.e.1 FINANCIAL ASSETS AT AMORTISED COST

Financial assets are classified at amortised cost if the following two criteria are met: the business model objective is to hold the instrument in order to collect the contractual cash flows and the cash flows consist solely of payments relating to principal and interest on the principal.

Business model criterion

Financial assets are managed within a business model whose objective is to hold financial assets in order to collect cash flows through the collection of contractual payments over the life of the instrument.

The realisation of disposals close to the maturity of the instrument and for an amount close to the remaining contractual cash-flows, or due to an increase in the counterparty's credit risk is consistent with a business model whose objective is to collect the contractual cash flows (“collect”). Sales imposed by regulatory requirements or to manage the concentration of credit risk (without an increase in the asset’s credit risk) are also consistent with this business model when they are infrequent or insignificant in value.

Cash flow criterion

The cash flow criterion is satisfied if the contractual terms of the debt instrument give rise, on specified dates, to cash flows that are solely repayments of principal and interest on the principal amount outstanding.

The criterion is not met in the event of a contractual characteristic that exposes the holder to risks or to the volatility of contractual cash flows that are inconsistent with those of a non-structured or “basic lending” arrangement. It is also not satisfied in the event of leverage that increases the variability of the contractual cash flows.

Interest consists of consideration for the time value of money, for the credit risk, and for the remuneration of other risks (e.g. liquidity risk), costs (e.g. administration fees), and a profit margin consistent with that of a basic lending arrangement. The existence of negative interest does not call into question the cash flow criterion.

The time value of money is the component of interest - usually referred to as the “rate” component - which provides consideration for only the passage of time. The relationship between the interest rate and the passage of time shall not be modified by specific characteristics that would likely call into question the respect of the cash flow criterion.

Thus, when the variable interest rate of the financial asset is periodically reset on a frequency that does not match the duration for which the interest rate is established, the time value of money may be considered as modified and, depending on the significance of that modification, the cash flow criterion may not be met. Some financial assets held by the Group present a mismatch between the interest rate reset frequency and the maturity of the index, or interest rates indexed on an average of benchmark rate. The Group has developed a consistent methodology for analysing this alteration of the time value of money.

Regulated rates meet the cash flow criterion when they provide a consideration that is broadly consistent with the passage of time and does not expose to risks or volatility in the contractual cash flows that would be inconsistent with those of a basic lending arrangement (example: loans granted in the context of *Livret A* savings accounts).

Some contractual clauses may change the timing or the amount of cash flows. Early redemption options do not call into question the cash flow criterion if the prepayment amount substantially represents the principal amount outstanding and the interest thereon, which may include a reasonable compensation for the early termination of the contract. For example, as regards loans to retail customers, the compensation limited to 6 months of interest or 3% of the capital outstanding is considered as reasonable. Actuarial penalties, corresponding to the discount value of the difference between the residual contractual cash-flows of the loan, and their reinvestment in a loan to a similar counterparty or in the interbank market for a similar residual maturity are also considered as reasonable, even when the compensation can be positive or negative (i.e. so called “symmetric” compensations). An option that permits the issuer or the holder of a financial instrument to change the interest rate from floating to fixed rate does not breach the cash flow criterion if the fixed rate is determined at origination, or if it represents the time value of money for the residual maturity of the instrument at the date of exercise of the option. Clauses included in financing granted to encourage the sustainable development of corporates which adjust the interest margin depending on the achievement of environmental, social or governance (ESG) objectives do not call into question the cash flow criterion when such an adjustment is considered to be de minimis. Structured instruments indexed to ESG market indices do not meet the cash flow criterion.

In the particular case of financial assets contractually linked to payments received on a portfolio of underlying assets and which include a priority order for payment of cash flows between investors (“tranches”), thereby creating concentrations of credit risk, a specific analysis is carried out. The contractual characteristics of the tranche and those of the underlying financial instruments portfolios must meet the cash flow criterion and the credit risk exposure of the tranche must be equal or lower than the exposure to credit risk of the underlying pool of financial instruments.

Certain loans may be “non-recourse”, either contractually, or in substance when they are granted to a special purpose entity. That is in particular the case of numerous project financing or asset financing loans. The cash-flow criterion is met as long as these loans do not represent a direct exposure on the assets acting as collateral. In practice, the sole fact that the financial asset explicitly gives rise to cash-flows that are consistent with payments of principal and interest is not sufficient to conclude that the instrument meets the cash flow criterion. In that case, the particular underlying assets to which there is limited recourse shall be analysed using the “look-through” approach. If those assets do not themselves meet the cash flow criterion, an assessment of the existing credit enhancement is performed. The following aspects are considered: structuring and sizing of the transaction, own funds level of the structure, expected source of repayment, volatility of the underlying assets. This analysis is applied to “non-recourse” loans granted by the Group.

The “financial assets at amortised cost” category includes, in particular, loans granted by the Group, as well as reverse repurchase agreements and securities held by the Group ALM Treasury in order to collect contractual flows and meeting the cash flow criterion.

Recognition

On initial recognition, financial assets are recognised at their fair value, including transaction costs directly attributable to the transaction as well as commissions related to the origination of the loans.

They are subsequently measured at amortised cost, including accrued interest and net of repayments of principal and interest during the past period. These financial assets are also subject from initial recognition, to the measurement of a loss allowance for expected credit losses (note 1.e.5).

Interest is calculated using the effective interest method determined at inception of the contract.

1.e.2 FINANCIAL ASSETS AT FAIR VALUE THROUGH SHAREHOLDERS' EQUITY

Debt instruments

Debt instruments are classified at fair value through shareholders' equity if the following two criteria are met:

- business model criterion: Financial assets are held in a business model whose objective is achieved by both holding the financial assets in order to collect contractual cash flows and selling the financial assets ("collect and sale"). The latter is not incidental but is an integral part of the business model.
- cash flow criterion: The principles are identical to those applicable to financial assets at amortised cost.

The securities held by the Group ALM Treasury in order to collect contractual flows or to be sold and meeting the cash flow criterion are in particular classified in this category.

On initial recognition, financial assets are recognised at their fair value, including transaction costs directly attributable to the transaction. They are subsequently measured at fair value and changes in fair value are recognised, under a specific line of shareholders' equity entitled "Changes in assets and liabilities recognised directly in equity that may be reclassified to profit or loss". These financial assets are also subject to the measurement of a loss allowance for expected credit losses on the same approach as for debt instruments at amortised cost. The counterparty of the related impact in cost of risk is recognised in the same specific line of shareholders' equity. On disposal, changes in fair value previously recognised in shareholders' equity are reclassified to profit or loss.

In addition, interest is recognised in the income statement using the effective interest method determined at the inception of the contract.

Equity instruments

Investments in equity instruments such as shares are classified on option, and on a case by case basis, at fair value through shareholders' equity (under a specific line). On disposal of the shares, changes in fair value previously recognised in equity are not recognised in profit or loss. Only dividends, if they represent remuneration for the investment and not repayment of capital, are recognised in profit or loss. These instruments are not subject to impairment.

Investments in mutual funds puttable to the issuer do not meet the definition of equity instruments. They do not meet the cash flow criterion either, and thus are recognised at fair value through profit or loss.

1.e.3 FINANCING AND GUARANTEE COMMITMENTS

Financing and financial guarantee commitments that are not recognised as derivative instruments at fair value through profit or loss are presented in the note relating to financing and guarantee commitments. They are subject to the measurement of a loss allowance for expected credit losses. These loss allowances are presented under "Provisions for contingencies and charges".

1.e.4 REGULATED SAVINGS AND LOAN CONTRACTS

Home savings accounts (*Comptes Épargne-Logement* – “CEL”) and home savings plans *(Plans d’Épargne Logement* – “PEL”) are government-regulated retail products sold in France. They combine a savings phase and a loan phase which are inseparable, with the loan phase contingent upon the savings phase.

These products contain two types of obligations for BNP Paribas: an obligation to pay interest on the savings for an indefinite period, at a rate set by the government at the inception of the contract (in the case of PEL products) or at a rate reset every six months using an indexation formula set by law (in the case of CEL products); and an obligation to lend to the customer (at the customer’s option) an amount contingent upon the rights acquired during the savings phase, at a rate set at the inception of the contract (in the case of PEL products) or at a rate contingent upon the savings phase (in the case of CEL products).

The Group’s future obligations with respect to each generation (in the case of PEL products, a generation comprises all products with the same interest rate at inception; in the case of CEL products, all such products constitute a single generation) are measured by discounting potential future earnings from at-risk outstandings for that generation.

At-risk outstandings are estimated on the basis of a historical analysis of customer behaviour, and are equivalent to:

- for the loan phase: statistically probable loans outstanding and actual loans outstanding;
- for the savings phase: the difference between statistically probable outstandings and minimum expected outstandings, with minimum expected outstandings being deemed equivalent to unconditional term deposits.

Earnings for future periods from the savings phase are estimated as the difference between the reinvestment rate and the fixed savings interest rate on at-risk savings outstanding for the period in question. Earnings for future periods from the loan phase are estimated as the difference between the refinancing rate and the fixed loan interest rate on at-risk loans outstanding for the period in question.

The reinvestment rate for savings and the refinancing rate for loans are derived from the swap yield curve and from the spreads expected on financial instruments of similar type and maturity. Spreads are determined on the basis of actual spreads on fixed-rate home loans in the case of the loan phase and products offered to individual clients in the case of the savings phase. In order to reflect the uncertainty of future interest rate trends, and the impact of such trends on customer behaviour models and on at-risk outstandings, the obligations are estimated using the Monte-Carlo method.

Where the sum of the Group’s estimated future obligations with respect to the savings and loan phases of any generation of contracts indicates a potentially unfavourable situation for the Group, a provision is recognised (with no offset between generations) in the balance sheet in “Provisions for contingencies and charges”. Movements in this provision are recognised as interest income in the profit and loss account.

1.e.5 IMPAIRMENT OF FINANCIAL ASSETS MEASURED AT AMORTISED COST AND DEBT INSTRUMENTS MEASURED AT FAIR VALUE THROUGH SHAREHOLDERS' EQUITY

The impairment model for credit risk is based on expected losses.

This model applies to loans and debt instruments measured at amortised cost or fair value through equity, to loan commitments and financial guarantee contracts that are not recognised at fair value, as well as to lease receivables, trade receivables and contract assets.

General model

The Group identifies three “stages” that correspond each to a specific status with regards to the evolution of counterparty credit risk since the initial recognition of the asset.

- 12-month expected credit losses (“stage 1”): If at the reporting date, the credit risk of the financial instrument has not increased significantly since its initial recognition, this instrument is impaired at an amount equal to 12-month expected credit losses (resulting from the risk of default within the next 12 months).
- Lifetime expected credit losses for non-impaired assets (“stage 2”): The loss allowance is measured at an amount equal to the lifetime expected credit losses if the credit risk of the financial instrument has increased significantly since initial recognition, but the financial asset is not considered credit-impaired or doubtful.
- Lifetime expected credit losses for credit-impaired or doubtful financial assets (“stage 3”): the loss allowance is also measured for an amount equal to the lifetime expected credit losses.

This general model is applied to all instruments within the scope of IFRS 9 impairment, except for purchased or originated credit-impaired financial assets and instruments for which a simplified model is used (see below).

The IFRS 9 expected credit loss approach is symmetrical, i.e. if lifetime expected credit losses have been recognised in a previous reporting period, and if it is assessed in the current reporting period that there is no longer any significant increase in credit risk since initial recognition, the loss allowance reverts to a 12-months expected credit loss.

As regards interest income, under “stage” 1 and 2, it is calculated on the gross carrying amount. Under “stage 3”, interest income is calculated on the amortised cost (i.e. the gross carrying amount adjusted for the loss allowance).

Definition of default

The definition of default is aligned with the Basel regulatory default definition, with a rebuttable presumption that the default occurs no later than 90 days past due. This definition takes into account the EBA guidelines of 28 September 2016, notably those regarding the thresholds applicable for the counting of past-due and probation periods.

The definition of default is used consistently for assessing the increase in credit risk and measuring expected credit losses.

Credit-impaired or doubtful financial assets

Definition

A financial asset is considered credit-impaired or doubtful and classified in “stage 3” when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred.

At an individual level, objective evidence that a financial asset is credit-impaired includes observable data regarding the following events: the existence of accounts that are more than 90 days past due; knowledge or indications that the borrower meets significant financial difficulties, such that a risk can be considered to have arisen regardless of whether the borrower has missed any payments; concessions with respect to the credit terms granted to the borrower that the lender would not have considered had the borrower not been meeting financial difficulty (see section *Restructuring of financial assets for financial difficulties*).

Specific cases of purchased or originated credit-impaired assets

In some cases, financial assets are credit-impaired at their initial recognition.

For these assets, there is no loss allowance accounted for at initial recognition. The effective interest rate is calculated taking into account the lifetime expected credit losses in the initial estimated cash flows. Any change in lifetime expected credit losses since initial recognition, positive or negative, is recognised as a loss allowance adjustment in profit or loss.

Simplified model

The simplified approach consists in accounting for a loss allowance corresponding to lifetime expected credit losses since initial recognition, and at each reporting date.

The group applies this model to trade receivables with a maturity shorter than 12 months.

Significant increase in credit risk

A significant increase in credit risk may be assessed on an individual basis or on a collective basis (by grouping financial instruments according to common credit risk characteristics) taking into account all reasonable and supportable information and comparing the risk of default of the financial instrument at the reporting date with the risk of default of the financial instrument at the date of initial recognition.

Assessment of deterioration is based on the comparison of the probabilities of default or the ratings on the date of initial recognition with those existing at the reporting date.

There is also, according to the standard, a rebuttable presumption that the credit risk of an instrument has significantly increased since initial recognition when the contractual payments are more than 30 days past due.

In the consumer credit specialised business, a significant increase in credit risk is also considered when a past due event has occurred within the last 12 months, even if it has since been regularised.

In the context of the health crisis, the granting of moratoria that meet the criteria defined in the EBA guidelines published on 2 April 2020, and amended on 2 December 2020, has not been considered, in isolation, as an indicator of a significant increase in credit risk leading to an automatic transfer to stage 2. The granting of “private” moratoria that meet equivalent criteria to those defined in the EBA guidelines has followed the same treatment. Moratoria do not trigger the counting of past-due days as long as the new schedule of payment is respected.

The principles applied to assess the significant increase in credit risk are detailed in note 2.h *Cost of risk*.

Measurement of expected credit losses

Expected credit losses are defined as an estimate of credit losses (i.e. the present value of all cash shortfalls) weighted by the probability of occurrence of these losses over the expected life of financial instruments. They are measured on an individual basis, for all exposures.

In practice, for exposures classified in stage 1 and stage 2, expected credit losses are measured as the product of the probability of default (“PD”), loss given default (“LGD”) and exposure at default (“EAD”), discounted at the effective interest rate of the exposure (EIR). They result from the risk of default within the next 12 months (stage 1), or from the risk of default over the maturity of the facility (stage 2). In the consumer credit specialised business, because of the specificity of credit exposures, the methodology used is based on the probability of transition to term forfeiture, and on discounted loss rates after term forfeiture. The measurement of these parameters is performed on a statistical basis for homogeneous populations.

For exposures classified in stage 3, expected credit losses are measured as the value, discounted at the effective interest rate, of all cash shortfalls over the life of the financial instrument. Cash shortfalls represent the difference between the cash-flows that are due in accordance with the contract, and the cash-flows that are expected to be received. Where appropriate, the estimate of expected cash flows takes into account a cash flow scenario arising from the sale of the defaulted loans or groups of loans. Proceeds of sale are considered net of costs to sell.

The methodology developed is based on existing concepts and methods (in particular the Basel framework) on exposures for which capital requirement for credit risk is measured according to the IRBA methodology. This method is also applied to portfolios for which capital requirement for credit risk is measured according to the standardised approach. Besides, the Basel framework has been adjusted in order to be compliant with IFRS 9 requirements, in particular the use of forward-looking information.

Maturity

All contractual terms of the financial instrument are taken into account, including prepayment, extension and similar options. In the rare cases where the expected life of the financial instrument cannot be estimated reliably, the residual contractual term is used. The standard specifies that the maximum period to consider when measuring expected credit losses is the maximum contractual period. However, for revolving credit cards and overdrafts, in accordance with the exception provided by IFRS 9 for these products, the maturity considered for expected credit losses measurement is the period over which the entity is exposed to credit risk, which may extend beyond the contractual maturity (notice period). For revolving credits and overdrafts to non-retail counterparties, the contractual maturity can be taken, for example if the next review date is the contractual maturity as they are individually managed.

Probabilities of Default (PD)

The Probability of Default is an estimate of the likelihood of default over a given time horizon.

The measurement of expected credit losses requires the estimation of both 1-year probabilities of default and lifetime probabilities of default.

1-year PDs are derived from long term average regulatory “through the cycle” PDs to reflect the current situation (“point in time” or “PIT”).

Lifetime PDs are determined from the rating migration matrices reflecting the expected rating evolution of the exposure until maturity, and the associated probabilities of default.

Loss Given Default (LGD)

Loss Given Default is the difference between contractual cash-flows and expected cash-flows, discounted using the effective interest rate (or an approximation thereof) at the default date. The LGD is expressed as a percentage of the EAD.

The estimate of expected cash flows takes into account cash flows resulting from the sale of collateral held or other credit enhancements if they are part of the contractual terms and are not accounted for separately by the entity (for example, a mortgage associated with a residential loan), net of the costs of obtaining and selling the collateral.

For guaranteed loans, the guarantee is considered as integral to the loan agreement if it is embedded in the contractual clauses of the loan, or it was granted at origination of the loan, and if the expected reimbursement amount can be attached to a loan in particular (i.e. absence of pooling effect by means of a tranching mechanism, or the existence of a global cap for a whole portfolio). In such case, the guarantee is taken into account when measuring the expected credit losses. Otherwise, it is accounted for as a separate reimbursement asset.

The LGD used for IFRS 9 purposes is derived from the Basel LGD parameters. It is retreated for downturn and conservatism margins (in particular regulatory margins), except for margins for model uncertainties.

Exposure At Default (EAD)

The Exposure At Default (EAD) of an instrument is the anticipated outstanding amount owed by the obligor at the time of default. It is determined by the expected payment profile taking into account, depending on the product type: the contractual repayment schedule, expected early repayments and expected future drawings for revolving facilities.

Forward looking

The amount of expected credit losses is measured on the basis of probability-weighted scenarios, in view of past events, current conditions and reasonable and supportable economic forecasts.

The principles applied to take into account forward looking information when measuring expected credit losses are detailed in note 2.h *Cost of risk*.

Write-offs

A write-off consists in reducing the gross carrying amount of a financial asset when there are no longer reasonable expectations of recovering that financial asset in its entirety or a portion thereof, or when it has been fully or partially forgiven. The write-off is recorded when all other means available to the Bank for recovering the receivables or guarantees have failed, and also generally depends on the context specific to each jurisdiction.

If the amount of loss on write-off is greater than the accumulated loss allowance, the difference is an additional impairment loss posted in “Cost of risk”. For any receipt occurring when the financial asset (or part of it) is no longer recognised on the balance-sheet, the amount received is recorded as an impairment gain in “Cost of risk”.

Recoveries through the repossession of the collateral

When a loan is secured by a financial or a non-financial asset serving as a guarantee and the counterparty is in default, the Group may decide to exercise the guarantee and, according to the jurisdiction, it may then become owner of the asset. In such a situation, the loan is written-off in counterparty of the asset received as collateral.

Once ownership of the asset is carried out, it is accounted for at fair value and classified according to the intent of use.

Restructuring of financial assets for financial difficulties

A restructuring due to the borrower's financial difficulties is defined as a change in the terms and conditions of the initial transaction that the Group is considering only for economic or legal reasons related to the borrower's financial difficulties.

For restructurings not resulting in derecognition of the financial asset, the restructured asset is subject to an adjustment of its gross carrying amount, to reduce it to the discounted amount, at the original effective interest rate of the asset, of the new expected future flows. The change in the gross carrying amount of the asset is recorded in the income statement in “Cost of risk”.

The existence of a significant increase in credit risk for the financial instrument is then assessed by comparing the risk of default after the restructuring (under the revised contractual terms) and the risk of default at the initial recognition date (under the original contractual terms). In order to demonstrate that the criteria for recognising lifetime expected credit losses are no longer met, good quality payment behaviour will have to be observed over a certain period of time.

When the restructuring consists of a partial or total exchange against other substantially different assets (for example, the exchange of a debt instrument against an equity instrument), it results in the extinction of the original asset and the recognition of the assets remitted in exchange, measured at their fair value at the date of exchange. The difference in value is recorded in the income statement in “Cost of risk”.

As a reminder, in response to the health crisis, several moratoria have been granted to clients. These moratoria mostly consisted in payment suspension of a few months, with interests that may or not continue to accrue during the suspension period. To that extent, the modification was generally considered as not substantial. The associated discount (linked to the absence of interest accruing, or interest accruing at a rate that was lower than the EIR of the loan) was thus accounted for in NBI, subject to the respect of certain criteria[1]. In such cases, the moratorium was considered as not being granted in response to the borrower encountering financial difficulties, but in response to a temporary liquidity crisis and the credit risk was not considered to have significantly increased.

Modifications to financial assets that are not due to a borrower’s financial difficulties, or granted in the context of a moratorium (i.e. commercial renegotiations) are generally analysed as the early repayment of the former financial asset, which is then derecognised, followed by the set-up of a new financial asset at market conditions. They consist in resetting the interest rate of the loan at market conditions, with the client being in a position to change its lender and not encountering any financial difficulties.

[1] Moratoria qualified as “COVID-19 General moratorium Measure” (i.e. meeting the criteria defined in EBA Guidelines published on 2 April 2020 and modified on 2 December 2020) or similar measures that do not lead to a transfer to stage 3.

Probation periods

The Group applies observation periods to assess the possible return to a better stage. Thus, a probation period of 3 months is observed for the transition from stage 3 to stage 2. This period is extended to 12 months in the event of restructuring due to financial difficulties.

For the transition from stage 2 to stage 1, a probation period of two years is observed for loans that have been restructured due to financial difficulties.

1.e.6 COST OF RISK

Cost of risk includes the following items of profit or loss:

- impairment gains and losses resulting from the accounting of loss allowances for 12-month expected credit losses and lifetime expected credit losses ("stage 1" and "stage 2") relating to debt instruments measured at amortised cost or at fair value through shareholders' equity, loan commitments and financial guarantee contracts that are not recognised at fair value as well as lease receivables, contract assets and trade receivables;
- impairment gains and losses resulting from the accounting of loss allowances relating to financial assets (including those at fair value through profit or loss) for which there is objective evidence of impairment ("stage 3"), write-offs on irrecoverable loans and amounts recovered on loans written-off;
- impairment gains and losses relating to fixed-income securities of insurance entities that are individually impaired (which fall under IAS 39).

It also includes expenses relating to fraud and to disputes inherent to the financing activity.

1.e.7 FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

Trading portfolio and other financial assets measured at fair value through profit or loss

The trading portfolio includes instruments held for trading (trading transactions), including derivatives.

Other financial assets measured at fair value through profit or loss include debt instruments that do not meet the "collect" or "collect and sale" business model criterion or that do not meet the cash flow criterion, as well as equity instruments for which the fair value through shareholders' equity option has not been retained.

All those financial instruments are measured at fair value at initial recognition, with transaction costs directly posted in profit or loss. At reporting date, they are measured at fair value, with changes presented in "Net gain/loss on financial instruments at fair value through profit or loss". Income, dividends, and realised gains and losses on disposal related to held-for-trading transactions are accounted for in the same profit or loss account.

Financial liabilities designated as at fair value through profit or loss

Financial liabilities are recognised under option in this category in the two following situations:

- for hybrid financial instruments containing one or more embedded derivatives which otherwise would have been separated and accounted for separately. An embedded derivative is such that its economic characteristics and risks are not closely related to those of the host contract;
- when using the option enables the entity to eliminate or significantly reduce a mismatch in the measurement and accounting treatment of assets and liabilities that would otherwise arise if they were to be classified in separate categories.

Changes in fair value due to the own credit risk are recognised under a specific heading of shareholders' equity.

1.e.8 FINANCIAL LIABILITIES AND EQUITY INSTRUMENTS

A financial instrument issued or its various components are classified as a financial liability or equity instrument, in accordance with the economic substance of the legal contract.

Financial instruments issued by the Group are qualified as debt instruments if the entity in the Group issuing the instruments has a contractual obligation to deliver cash or another financial asset to the holder of the instrument. The same applies if the Group is required to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Group, or to deliver a variable number of the Group's own equity instruments.

Equity instruments result from contracts evidencing a residual interest in an entity's assets after deducting all of its liabilities.

Debt securities and subordinated debt

Debt securities and subordinated debt are measured at amortised cost unless they are recognised at fair value through profit or loss.

Debt securities are initially recognised at the issue value including transaction costs and are subsequently measured at amortised cost using the effective interest method.

Bonds redeemable or convertible into own equity are hybrid instruments that may contain a debt component and an equity component, determined upon initial recognition of the transaction.

Equity instruments

The term "own equity instruments" refers to shares issued by the parent company (BNP Paribas SA) and by its fully consolidated subsidiaries. External costs that are directly attributable to an issue of new shares are deducted from equity net of all related taxes.

Own equity instruments held by the Group, also known as treasury shares, are deducted from consolidated shareholders' equity irrespective of the purpose for which they are held. Gains and losses arising on such instruments are eliminated from the consolidated profit and loss account.

When the Group acquires equity instruments issued by subsidiaries under the exclusive control of BNP Paribas, the difference between the acquisition price and the share of net assets acquired is recorded in retained earnings attributable to BNP Paribas shareholders. Similarly, the liability corresponding to put options granted to minority shareholders in such subsidiaries, and changes in the value of that liability, are offset against minority interests, with any surplus offset against retained earnings attributable to BNP Paribas shareholders. Until these options have been exercised, the portion of net income attributable to minority interests is allocated to minority interests in the profit and loss account. A decrease in the Group's interest in a fully consolidated subsidiary is recognised in the Group's accounts as a change in shareholders' equity.

Financial instruments issued by the Group and classified as equity instruments (e.g. Undated Super Subordinated Notes) are presented in the balance sheet in "Capital and retained earnings".

Distributions from a financial instrument classified as an equity instrument are recognised directly as a deduction from equity. Similarly, the transaction costs of an instrument classified as equity are recognised as a deduction from shareholders' equity.

Own equity instrument derivatives are treated as follows, depending on the method of settlement:

- as equity instruments if they are settled by physical delivery of a fixed number of own equity instruments for a fixed amount of cash or other financial asset. Such instruments are not revalued;
- as derivatives if they are settled in cash or by choice by physical delivery of the shares or in cash. Changes in value of such instruments are taken to the profit and loss account.

If the contract includes an obligation, whether contingent or not, for the bank to repurchase its own shares, the bank recognises the debt at its present value with an offsetting entry in shareholders' equity.

1.e.9 HEDGE ACCOUNTING

The Group retained the option provided by the standard to maintain the hedge accounting requirements of IAS 39 until the future standard on macro-hedging is entered into force. Furthermore, IFRS 9 does not explicitly address the fair value hedge of the interest rate risk on a portfolio of financial assets or liabilities. The provisions in IAS 39 for these portfolio hedges, as adopted by the European Union, continue to apply.

Derivatives contracted as part of a hedging relationship are designated according to the purpose of the hedge.

Fair value hedges are particularly used to hedge interest rate risk on fixed-rate assets and liabilities, both for identified financial instruments (securities, debt issues, loans, borrowings) and for portfolios of financial instruments (in particular, demand deposits and fixed-rate loans).

Cash flow hedges are particularly used to hedge interest rate risk on floating-rate assets and liabilities, including rollovers, and foreign exchange risks on highly probable forecast foreign currency revenues.

At the inception of the hedge, the Group prepares formal documentation which details the hedging relationship, identifying the instrument, or portion of the instrument, or portion of risk that is being hedged, the hedging strategy and the type of risk hedged, the hedging instrument, and the methods used to assess the effectiveness of the hedging relationship.

On inception and at least quarterly, the Group assesses, in consistency with the original documentation, the actual (retrospective) and expected (prospective) effectiveness of the hedging relationship. Retrospective effectiveness tests are designed to assess whether the ratio of actual changes in the fair value or cash flows of the hedging instrument to those in the hedged item is within a range of 80% to 125%. Prospective effectiveness tests are designed to ensure that expected changes in the fair value or cash flows of the derivative over the residual life of the hedge adequately offset those of the hedged item. For highly probable forecast transactions, effectiveness is assessed largely on the basis of historical data for similar transactions.

Under IAS 39 as adopted by the European Union, which excludes certain provisions on portfolio hedging, interest rate risk hedging relationships based on portfolios of assets or liabilities qualify for fair value hedge accounting as follows:

- the risk designated as being hedged is the interest rate risk associated with the interbank rate component of interest rates on commercial banking transactions (loans to customers, savings accounts and demand deposits);
- the instruments designated as being hedged correspond, for each maturity band, to a portion of the interest rate gap associated with the hedged underlying;
- the hedging instruments used consist exclusively of “plain vanilla” swaps;
- prospective hedge effectiveness is established by the fact that all derivatives must, on inception, have the effect of reducing interest rate risk in the portfolio of hedged underlying. Retrospectively, a hedge will be disqualified from hedge accounting once a shortfall arises in the underlying specifically associated with that hedge for each maturity band (due to prepayment of loans or withdrawals of deposits).

The accounting treatment of derivatives and hedged items depends on the hedging strategy.

In a fair value hedging relationship, the derivative instrument is remeasured at fair value in the balance sheet, with changes in fair value recognised in profit or loss in “Net gain/loss on financial instruments at fair value through profit or loss”, symmetrically with the remeasurement of the hedged item to reflect the hedged risk. In the balance sheet, the fair value remeasurement of the hedged component is recognised in accordance with the classification of the hedged item in the case of a hedge of identified assets and liabilities, or under “Remeasurement adjustment on interest rate risk hedged portfolios” in the case of a portfolio hedging relationship.

If a hedging relationship ceases or no longer fulfils the effectiveness criteria, the hedging instrument is transferred to the trading book and accounted for using the treatment applied to this category. In the case of identified fixed-income instruments, the remeasurement adjustment recognised in the balance sheet is amortised at the effective interest rate over the remaining life of the instrument. In the case of interest rate risk hedged fixed-income portfolios, the adjustment is amortised on a straight-line basis over the remainder of the original term of the hedge. If the hedged item no longer appears in the balance sheet, in particular due to prepayments, the adjustment is taken to the profit and loss account immediately.

In a cash flow hedging relationship, the derivative is measured at fair value in the balance sheet, with changes in fair value taken to shareholders' equity on a separate line, "Changes in fair value recognised directly in equity". The amounts taken to shareholders' equity over the life of the hedge are transferred to the profit and loss account under "Net interest income" as and when the cash flows from the hedged item impact profit or loss. The hedged items continue to be accounted for using the treatment specific to the category to which they belong.

If the hedging relationship ceases or no longer fulfils the effectiveness criteria, the cumulative amounts recognised in shareholders' equity as a result of the remeasurement of the hedging instrument remain in equity until the hedged transaction itself impacts profit or loss, or until it becomes clear that the transaction will not occur, at which point they are transferred to the profit and loss account.

If the hedged item ceases to exist, the cumulative amounts recognised in shareholders' equity are immediately taken to the profit and loss account.

Whatever the hedging strategy used, any ineffective portion of the hedge is recognised in the profit and loss account under "Net gain/loss on financial instruments at fair value through profit or loss".

Hedges of net foreign currency investments in subsidiaries and branches are accounted for in the same way as cash flow hedges. Hedging instruments may be foreign exchange derivatives or any other non-derivative financial instrument.

1.e.10 DETERMINATION OF FAIR VALUE

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants in the principal market or most advantageous market, at the measurement date.

The Group determines the fair value of financial instruments either by using prices obtained directly from external data or by using valuation techniques. These valuation techniques are primarily market and income approaches encompassing generally accepted models (e.g. discounted cash flows, Black-Scholes model, and interpolation techniques). They maximise the use of observable inputs and minimise the use of unobservable inputs. They are calibrated to reflect current market conditions and valuation adjustments are applied as appropriate, when some factors such as model, liquidity and credit risks are not captured by the models or their underlying inputs but are nevertheless considered by market participants when setting the exit price.

The unit of measurement is the individual financial asset or financial liability but a portfolio-based measurement can be elected, subject to certain conditions. Accordingly, the Group retains this portfolio-based measurement exception to determine the fair value when some group of financial assets and financial liabilities and other contracts within the scope of the standard relating to financial instruments with substantially similar and offsetting market risks or credit risks are managed on the basis of a net exposure, in accordance with the documented risk management strategy.

Assets and liabilities measured or disclosed at fair value are categorised into the three following levels of the fair value hierarchy:

- Level 1: fair values are determined using directly quoted prices in active markets for identical assets and liabilities. Characteristics of an active market include the existence of a sufficient frequency and volume of activity and of readily available prices;
- Level 2: fair values are determined based on valuation techniques for which significant inputs are observable market data, either directly or indirectly. These techniques are regularly calibrated and the inputs are corroborated with information from active markets;
- Level 3: fair values are determined using valuation techniques for which significant inputs are unobservable or cannot be corroborated by market-based observations, due for instance to illiquidity of the instrument and significant model risk. An unobservable input is a parameter for which there are no market data available and that is therefore derived from proprietary assumptions about what other market participants would consider when assessing fair value. The assessment of whether a product is illiquid or subject to significant model risks is a matter of judgment.

The level in the fair value hierarchy within which the asset or liability is categorised in its entirety is based upon the lowest level input that is significant to the entire fair value.

For financial instruments disclosed in Level 3 of the fair value hierarchy, and marginally some instruments disclosed in Level 2, a difference between the transaction price and the fair value may arise at initial recognition. This “Day One Profit” is deferred and released to the profit and loss account over the period during which the valuation parameters are expected to remain non-observable. When parameters that were originally non-observable become observable, or when the valuation can be substantiated in comparison with recent similar transactions in an active market, the unrecognised portion of the day one profit is released to the profit and loss account.

1.e.11 DERECOGNITION OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Derecognition of financial assets

The Group derecognises all or part of a financial asset either when the contractual rights to the cash flows from the asset expire or when the Group transfers the contractual rights to the cash flows from the asset and substantially all the risks and rewards of ownership of the asset. Unless these conditions are fulfilled, the Group retains the asset in its balance sheet and recognises a liability for the obligation created as a result of the transfer of the asset.

Derecognition of financial liabilities

The Group derecognises all or part of a financial liability when the liability is extinguished in full or in part.

Repurchase agreements and securities lending/borrowing

Securities temporarily sold under repurchase agreements continue to be recognised in the Group's balance sheet in the category of securities to which they belong. The corresponding liability is recognised at amortised cost under the appropriate "Financial liabilities at amortised cost" category on the balance sheet, except in the case of repurchase agreements contracted for trading purposes, for which the corresponding liability is recognised in "Financial liabilities at fair value through profit or loss".

Securities temporarily acquired under reverse repurchase agreements are not recognised in the Group's balance sheet. The corresponding receivable is recognised at amortised cost under the appropriate "Financial assets at amortised cost" category in the balance sheet, except in the case of reverse repurchase agreements contracted for trading purposes, for which the corresponding receivable is recognised in "Financial assets at fair value through profit or loss".

Securities lending transactions do not result in derecognition of the lent securities, and securities borrowing transactions do not result in recognition of the borrowed securities on the balance sheet. In cases where the borrowed securities are subsequently sold by the Group, the obligation to deliver the borrowed securities on maturity is recognised on the balance sheet under "Financial liabilities at fair value through profit or loss".

1.e.12 OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES

A financial asset and a financial liability are offset and the net amount presented in the balance sheet if, and only if, the Group has a legally enforceable right to set off the recognised amounts, and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Repurchase agreements and derivatives that meet the two criteria set out in the accounting standard are offset in the balance sheet.

1.f ACCOUNTING STANDARDS SPECIFIC TO INSURANCE ACTIVITIES

The specific accounting policies and valuation rules relating to assets and liabilities generated by insurance contracts and financial contracts with a discretionary participation feature written by fully consolidated insurance companies are retained for the purposes of the consolidated financial statements. These policies comply with IFRS 4.

The amendment to IFRS 4 “Insurance Contracts” published by the IASB on 25 June 2020 provides the option for entities that predominantly undertake insurance activities to defer the effective date of IFRS 9 application until 1 January 2023 in line with the deferral of the mandatory application date for IFRS 17 “Insurance Contracts”.

The effect of such a deferral is that those entities may continue to report their financial statements under the existing standard IAS 39.

This temporary exemption from IFRS 9, limited to groups that predominantly undertake insurance activities according to the IASB amendment, has been extended to the insurance segment of financial conglomerates as defined by the Directive 2002/87/EC as adopted by the European Union. This exemption is subject to certain conditions, notably the absence of internal transfers of financial instruments, other than financial instruments that are measured at fair value through profit or loss, between insurance entities and other entities of the financial conglomerate.

BNP Paribas Group applies this amendment to all its insurance entities, including funds related to this activity, which will apply IAS 39 “Financial instruments: Recognition and Measurement” until 31 December 2022.

All other insurance company assets and liabilities are accounted for using the policies applied to the Group’s assets and liabilities generally and are included in the relevant balance sheet and profit and loss account headings in the consolidated financial statements.

1.f.1 PROFIT AND LOSS ACCOUNT

Income and expenses recognised under insurance contracts issued by the Group are presented in the income statement under “Net income from insurance activities”.

This heading in the income statement includes premiums earned, net gain in investment contracts with no discretionary participation feature and other services, net investment income (including income on investment property and impairment on shares and other equity instruments), technical charges related to contracts; (including policyholders surplus reserve), net charges from ceded reinsurance and external charges related to contracts (including commissions).

Other income and expenses relating to insurance activities (i.e. recorded by insurance entities) are presented in the other income statement headings according to their nature.

1.f.2 FINANCIAL INVESTMENTS OF INSURANCE ACTIVITIES

Investments of insurance activities mainly include:

- investments by insurance entities in financial instruments that are recognised in accordance with the principles of IAS 39, which include investments representing technical reserves of insurance activities and notably unit-linked contracts;
- derivative instruments with a positive fair value. Group insurance entities underwrite derivative instruments for hedging purposes;
- investment properties;
- equity method investments;
- and reinsurers' share in liabilities arising from insurance and investment contracts.

Investments in financial instruments

Financial investments held by the Group's insurance entities are classified in one of the four categories provided for in IAS 39: Financial assets at fair value through profit or loss, held-to-maturity financial assets, loans and receivables and available-for-sale financial assets.

- Financial assets at fair value through profit or loss

The category 'Financial assets at fair value through profit or loss' includes derivatives and financial assets that the Group has elected to recognise and measure at fair value through profit or loss at inception, in accordance with the option offered by IAS 39.

Financial assets may be designated at fair value through profit or loss in the following cases (in accordance with IAS 39):

- hybrid financial instruments containing one or more embedded derivatives which otherwise would have been separated and accounted for separately. An embedded derivative is such that its economic characteristics and risks are not closely related to those of the host contract;
- where using the option enables the entity to eliminate or significantly reduce a mismatch in the measurement and accounting treatment of assets and liabilities that would arise if they were to be classified in separate accounting categories;
- when the group of financial assets and/or financial liabilities is managed and measured on the basis of fair value, in accordance with a documented risk management and investment strategy.

Investments held in respect of insurance or investment contracts where the financial risk is borne by policyholders (unit-linked contracts) are recognised at fair value option through profit or loss.

When the Group measures at fair value through profit or loss investments made in respect of its insurance activities in entities over which it exercises significant influence or joint control, these investments are presented under the line “Financial assets at fair value through profit or loss” (see §1.b.2).

Financial instruments classified in this category are initially recognised at their fair value, with transaction costs being directly recognised in the income statement.
At the closing date, they are valued at their fair value.
Changes in value compared to the last valuation, income, dividends and realised gains and losses are presented under “Net income from insurance activities” and under “Net gain on financial instruments at fair value through profit or loss”.

- Loans and advances

Fixed or determinable -income securities, which are not quoted in an active market, other than those for which the holder may not recover substantially all of its initial investment for reasons other than credit deterioration, are classified as “Loans and receivables” when they do not meet the conditions for classification as financial assets at fair value through profit or loss.

Loans and receivables are initially recognised at their fair value or equivalent, which generally corresponds to the net amount originally paid.
Loans and receivables are subsequently measured at amortised cost using the effective interest method and net of repayments of principal and interest.
Interest is calculated using the effective interest method, which includes interest, transaction costs and commissions included in their initial value and is presented under “Net income from insurance activities” and under sub-heading “Net gain on financial instruments at amortised cost”.

Impairment losses recognised when there is objective evidence of impairment related to an event subsequent to the acquisition of the asset are presented under “Cost of risk”.

- Held-to-maturity financial assets

"Held-to-maturity financial assets" include debt securities, with fixed maturity, that the Group has the intention and ability to hold until maturity.

Securities classified in this category are recognised at amortised cost using the effective interest method.

Income received on these securities is presented under "Net income from insurance activities" and under sub-heading "Net gain on financial instruments at amortised cost". Impairment losses recognised when there is objective evidence of impairment related to an event subsequent to the acquisition of the asset are presented under "Cost of risk".

- Available-for-sale financial assets

The category "Available-for-sale financial assets" includes debt or equity securities that do not fall within the previous three categories.

Assets included in the available-for-sale category are initially recorded at fair value, plus transaction costs where material. At the end of the reporting period, they are valued at their fair value and the changes in the latter, excluding accrued income, are presented under a specific heading of equity. On disposal of the securities, these unrealised gains or losses previously recognised in equity are reclassified in the income statement under the heading "Net income from insurance activities".

Income recognised using the effective interest method on debt securities, dividends received and impairment (in the event of a significant or lasting decline in the value of the securities) of equity securities are presented under "Net income from insurance activities" and under section "Net gain on available-for-sale financial assets". Impairment losses on debt securities are presented under "Cost of risk".

Investment property

Investment property corresponds to buildings held directly by insurance companies and property companies controlled.

Investment property, except for those used for unit-linked contracts, is recognised at cost and follows the accounting methods of the assets described elsewhere.

Investment property, held in respect of unit-linked contracts, is valued at fair value or equivalent, with changes in value recognised in the income statement.

Equity method investments

Investments in entities or real estate funds over which the Group exercises significant influence or joint control and for which the equity method is applied are recognised in the line "Equity method investments".

1.f.3 TECHNICAL RESERVES AND OTHER INSURANCE LIABILITIES

The item "Technical reserves and other insurance liabilities" includes:

- commitments to policyholders and beneficiaries of contracts, which include technical reserves for insurance contracts subject to significant insurance hazard (mortality, longevity, disability, incapacity, *etc.*) and technical liabilities of investment contracts with a discretionary profit-sharing feature, falling within IFRS 4. The discretionary participation clause grants life insurance policyholders the right to receive, in addition to the guaranteed remuneration, a share of the financial results achieved;
- other insurance liabilities related to unit-linked contracts that fall within the scope of IAS 39 (i.e. investment contracts with no discretionary participating features);
- policyholders' surplus reserve;
- liabilities arising from insurance and reinsurance operations, including liabilities due to policyholders;

- financial derivative instruments of insurance activities carried at fair value through profit or loss, the fair value of which is negative. Group insurance entities underwrite derivative instruments for hedging purposes.

Financial liabilities that are not insurance liabilities (e.g. subordinated debt) fall under IAS 39. They are presented in “Financial liabilities at amortised cost”.

Insurance and reinsurance contracts and investment contracts with discretionary participating features

Life insurance guarantees cover mainly death risk (term life insurance, annuities, repayment of loans or guaranteed minimum on unit-linked contracts) and, regarding borrowers’ insurance, to disability, incapacity and unemployment risks.

For life insurance, technical reserves consist mainly of mathematical reserves that corresponds as a minimum, to the surrender value of contracts and surplus reserve.

The policyholders’ surplus reserve also includes amounts resulting from the application of shadow accounting representing the interest of policyholders, mainly within French life insurance subsidiaries, in unrealised gains and losses on assets where the benefit paid under the policy is linked to the return on those assets. This interest is an average derived from stochastic analyses of unrealised gains and losses attributable to policyholders in various scenarios.

A capitalisation reserve is set up in individual statutory accounts of French life-insurance companies on the sale of amortisable securities in order to defer part of the net realised gain and hence maintain the yield to maturity on the portfolio of admissible assets. In the consolidated financial statements, this reserve is reclassified into “Policyholders’ surplus” on the liabilities side of the consolidated balance sheet, to the extent that it is highly probable it will be used.

Non-life technical reserves consist of unearned premium reserves (corresponding to the portion of written premiums relating to future periods) and outstanding claims reserves, inclusive of claims handling costs.

At the reporting date, a liability adequacy test is performed: The level of technical reserves (net of acquisition costs outstanding) is compared to the average value of future cash flows resulting from stochastic calculations. Related adjustment to technical reserves, if any, is taken to the profit and loss account for the period.

In the event of an unrealised loss on shadow accounted assets, a policyholders' loss reserve is recognised on the assets side of the consolidated balance sheet in an amount equal to the probable deduction from the policyholders' future profit share. The recoverability of the policyholders' loss reserve is assessed prospectively, taking into account policyholders' surplus reserves recognised elsewhere, capital gains on financial assets that are not shadow accounted due to accounting elections made (held-to-maturity financial assets and property investments measured at cost) and the company's ability and intention to hold the assets carrying the unrealised loss.

Investment contracts with no discretionary participating features

Investment contracts with no discretionary participating features correspond mainly to unit-linked contracts that do not meet the definition of insurance and investment contracts with discretionary participating features.

Liabilities arising from unit-linked contracts are measured by reference to the fair value of the assets backing these contracts at the closing date.

1.g PROPERTY, PLANT, EQUIPMENT AND INTANGIBLE ASSETS

Property, plant and equipment and intangible assets shown in the consolidated balance sheet are composed of assets used in operations and investment property. Rights-of-use related to leased assets (see note 1.h.2) are presented by the lessee within fixed assets in the same category as similar assets held.

Assets used in operations are those used in the provision of services or for administrative purposes, and include non-property assets leased by the Group as lessor under operating leases.

Investment property comprises property assets held to generate rental income and capital gains.

Investment property is recognised at cost, with the exception of those representing insurance or investment contracts whose risk is borne by policyholders (unit-linked contracts), which are measured at fair value through profit or loss and presented in the balance sheet under “Financial investments of insurance activities” (note 1.f.2).

Property, plant and equipment and intangible assets are initially recognised at purchase price plus directly attributable costs, together with borrowing costs where a long period of construction or adaptation is required before the asset can be brought into service.

Software developed internally by the BNP Paribas Group that fulfils the criteria for capitalisation is capitalised at direct development cost, which includes external costs and the labour costs of employees directly attributable to the project.

Subsequent to initial recognition, property, plant and equipment and intangible assets are measured at cost less accumulated depreciation or amortisation and any impairment losses.

The depreciable amount of property, plant and equipment and intangible assets is calculated after deducting the residual value of the asset. Only assets leased by the Group as the lessor under operating leases are presumed to have a residual value, as the useful life of property, plant and equipment and intangible assets used in operations is generally the same as their economic life.

Property, plant and equipment and intangible assets are depreciated or amortised using the straight-line method over the useful life of the asset. Depreciation and amortisation expense is recognised in the profit and loss account under “Depreciation, amortisation and impairment of property, plant and equipment and intangible assets”.

Where an asset consists of a number of components which may require replacement at regular intervals, or which have different uses or generate economic benefits at different rates, each component is recognised separately and depreciated using a method appropriate to that component. The BNP Paribas Group has adopted the component-based approach for property used in operations and for investment property.

The depreciation periods used for office property are as follows: 80 years or 60 years for the shell (for prime and other property respectively); 30 years for facades; 20 years for general and technical installations; and 10 years for fixtures and fittings.

Software is amortised, depending on its type, over periods of no more than 8 years in the case of infrastructure developments and 3 years or 5 years in the case of software developed primarily for the purpose of providing services to customers.

Software maintenance costs are expensed as incurred. However, expenditure that is regarded as upgrading the software or extending its useful life is included in the initial acquisition or production cost.

Depreciable property, plant and equipment and intangible assets are tested for impairment if there is an indication of potential impairment at the balance sheet date. Non-depreciable assets are tested for impairment at least annually, using the same method as for goodwill allocated to cash-generating units.

If there is an indication of impairment, the new recoverable amount of the asset is compared with the carrying amount. If the asset is found to be impaired, an impairment loss is recognised in the profit and loss account. This loss is reversed in the event of a change in the estimated recoverable amount or if there is no longer an indication of impairment. Impairment losses are taken to the profit and loss account in “Depreciation, amortisation and impairment of property, plant and equipment and intangible assets”.

Gains and losses on disposals of property, plant and equipment and intangible assets used in operations are recognised in the profit and loss account in “Net gain on non-current assets”.

Gains and losses on disposals of investment property are recognised in the profit and loss account in “Income from other activities” or “Expense on other activities”.

1.h LEASES

Group companies may either be the lessee or the lessor in a lease agreement.

1.h.1 GROUP COMPANY AS LESSOR

Leases contracted by the Group as lessor are categorised as either finance leases or operating leases.

- **Finance leases**

In a finance lease, the lessor transfers substantially all the risks and rewards of ownership of an asset to the lessee. It is treated as a loan made to the lessee to finance the purchase of the asset.

The present value of the lease payments, plus any residual value, is recognised as a receivable. The net income earned from the lease by the lessor is equal to the amount of interest on the loan, and is taken to the profit and loss account under “Interest income”. The lease payments are spread over the lease term, and are allocated to reduction of the principal and to interest such that the net income reflects a constant rate of return on the net investment outstanding in the lease. The rate of interest used is the rate implicit in the lease.

Impairments of lease receivables are determined using the same principles as applied to financial assets measured at amortised cost.

- **Operating leases**

An operating lease is a lease under which substantially all the risks and rewards of ownership of an asset are not transferred to the lessee.

The asset is recognised under property, plant and equipment in the lessor’s balance sheet and depreciated on a straight-line basis over its useful life. The depreciable amount excludes the residual value of the asset. The lease payments are taken to the profit and loss account in full on a straight-line basis over the lease term. Lease payments and depreciation expenses are taken to the profit and loss account under “Income from other activities” and “Expense on other activities”.

1.h.2 GROUP COMPANY AS LESSEE

Lease contracts concluded by the Group, with the exception of contracts whose term is shorter than or equal to 12 months and low-value contracts, are recognised in the balance-sheet in the form of a right-of-use on the leased asset presented under fixed assets, along with the recognition of a financial liability for the rent and other payments to be made over the leasing period. The right of use assets is amortised on a straight-line basis and the financial liabilities are amortised on an actuarial basis over the lease period. Dismantling costs corresponding to specific and significant fittings and fixtures are included in the initial right-of-use estimation, in counterparty of a provision liability.

The key hypothesis used by the Group for the measurement of rights of use and lease liabilities are the following:

- the lease term corresponds to the non-cancellable period of the contract, together with periods covered by an extension option if the Group is reasonably certain to exercise this option. In France, the standard commercial lease contract is the so-called “three, six, nine” contract for which the maximum period of use is nine years, with a first non-cancellable period of three years followed by two optional extension periods of three years each; hence, depending on the assessment, the lease term can be of three, six or nine years. When investments like fittings or fixtures are performed under the contract, the lease term is aligned with their useful lives. For tacitly renewable contracts, with or without an enforceable period, related right of use and lease liabilities are recognised based on an estimate of the reasonably foreseeable economic life of the contracts, minimal occupation period included.

- the discount rate used to measure the right of use and the lease liability is assessed for each contract as the interest rate implicit in the lease, if that rate can be readily determined, or more generally based on the incremental borrowing rate of the lessee at the date of signature. The incremental borrowing rate is determined considering the average term (duration) of the contract.

- when the contract is modified, a new assessment of the lease liability is made taking into account the new residual term of the contract, and therefore a new assessment of the right of use and the lease liability is established.

1.i ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

Where the Group decides to sell assets or a group of assets and liabilities and it is highly probable that the sale will occur within 12 months, these assets are shown separately in the balance sheet, on the line "Assets held for sale". Any liabilities associated with these assets are also shown separately in the balance sheet, on the line "Liabilities associated with assets held for sale". When the Group is committed to a sale plan involving loss of control of a subsidiary and the sale is highly probable within 12 months, all the assets and liabilities of that subsidiary are classified as held for sale.

Once classified in this category, assets and the group of assets and liabilities are measured at the lower of carrying amount or fair value less costs to sell.

Such assets are no longer depreciated. If an asset or group of assets and liabilities becomes impaired, an impairment loss is recognised in the profit and loss account. Impairment losses may be reversed.

Where a group of assets and liabilities held for sale represents a cash generating unit, it is categorised as a "discontinued operation". Discontinued operations include operations that are held for sale, operations that have been shut down, and subsidiaries acquired exclusively with a view to resell.

In this case, gains and losses related to discontinued operations are shown separately in the profit and loss account, on the line "Net income from discontinued activities". This line includes after tax profits or losses of discontinued operations, after tax gain or loss arising from remeasurement at fair value less costs to sell, and after tax gain or loss on disposal of the operation.

1.j EMPLOYEE BENEFITS

Employee benefits are classified in one of four following categories:

- short-term benefits, such as salary, annual leave, incentive plans, profit-sharing and additional payments;
- long-term benefits, including compensated absences, long-service awards, and other types of cash-based deferred compensation;
- termination benefits;
- post-employment benefits, including top-up banking industry pensions and retirement bonuses in France and pension plans in other countries, some of which are operated through pension funds.

- **Short-term benefits**

The Group recognises an expense when it has used services rendered by employees in exchange for employee benefits.

- **Long-term benefits**

These are benefits, other than short-term benefits, post-employment benefits and termination benefits. This relates, in particular, to compensation deferred for more than 12 months and not linked to the BNP Paribas share price, which is accrued in the financial statements for the period in which it is earned.

The actuarial techniques used are similar to those used for defined-benefit post-employment benefits, except that the revaluation items are recognised in the profit and loss account and not in equity.

- **Termination benefits**

Termination benefits are employee benefits payable in exchange for the termination of an employee’s contract as a result of either a decision by the Group to terminate a contract of employment before the legal retirement age, or a decision by an employee to accept voluntary redundancy in exchange for these benefits. Termination benefits due more than 12 months after the balance sheet date are discounted.

- **Post-employment benefits**

In accordance with IFRS, the BNP Paribas Group draws a distinction between defined-contribution plans and defined-benefit plans.

Defined-contribution plans do not give rise to an obligation for the Group and do not require a provision. The amount of the employer’s contributions payable during the period is recognised as an expense.

Only defined-benefit schemes give rise to an obligation for the Group. This obligation must be measured and recognised as a liability by means of a provision.

The classification of plans into these two categories is based on the economic substance of the plan, which is reviewed to determine whether the Group has a legal or constructive obligation to pay the agreed benefits to employees.

Post-employment benefit obligations under defined-benefit plans are measured using actuarial techniques that take demographic and financial assumptions into account.

The net liability recognised with respect to post-employment benefit plans is the difference between the present value of the defined-benefit obligation and the fair value of any plan assets.

The present value of the defined-benefit obligation is measured on the basis of the actuarial assumptions applied by the Group, using the projected unit credit method. This method takes into account various parameters, specific to each country or Group entity, such as demographic assumptions, the probability that employees will leave before retirement age, salary inflation, a discount rate, and the general inflation rate.

When the value of the plan assets exceeds the amount of the obligation, an asset is recognised if it represents a future economic benefit for the Group in the form of a reduction in future contributions or a future partial refund of amounts paid into the plan.

The annual expense recognised in the profit and loss account under “Salaries and employee benefits”, with respect to defined-benefit plans includes the current service cost (the rights vested by each employee during the period in return for service rendered), the net interests linked to the effect of discounting the net defined-benefit liability (asset), the past service cost arising from plan amendments or curtailments, and the effect of any plan settlements.

Remeasurements of the net defined-benefit liability (asset) are recognised in shareholders’ equity and are never reclassified to profit or loss. They include actuarial gains and losses, the return on plan assets and any change in the effect of the asset ceiling (excluding amounts included in net interest on the defined-benefit liability or asset).

1.k SHARE-BASED PAYMENTS

Share-based payment transactions are payments based on shares issued by the Group, whether the transaction is settled in the form of equity or cash of which the amount is based on trends in the value of BNP Paribas shares.

- **Stock option and share award plans**

The expense related to stock option and share award plans is recognised over the vesting period, if the benefit is conditional upon the grantee's continued employment.

Stock options and share award expenses are recorded under salary and employee benefits expenses, with a corresponding adjustment to shareholders' equity. They are calculated on the basis of the overall plan value, determined at the date of grant by the Board of Directors.

In the absence of any market for these instruments, financial valuation models are used that take into account any performance conditions related to the BNP Paribas share price. The total expense of a plan is determined by multiplying the unit value per option or share awarded by the estimated number of options or shares awarded vested at the end of the vesting period, taking into account the conditions regarding the grantee's continued employment.

The only assumptions revised during the vesting period, and hence resulting in a remeasurement of the expense, are those relating to the probability that employees will leave the Group and those relating to performance conditions that are not linked to the price value of BNP Paribas shares.

- **Share price-linked cash-settled deferred compensation plans**

The expense related to these plans is recognised in the year during which the employee rendered the corresponding services.

If the payment of share-based variable compensation is explicitly subject to the employee's continued presence at the vesting date, the services are presumed to have been rendered during the vesting period and the corresponding compensation expense is recognised on a pro rata basis over that period. The expense is recognised under salary and employee benefits expenses with a corresponding liability in the balance sheet. It is revised to take into account any non-fulfilment of the continued presence or performance conditions and the change in BNP Paribas share price.

If there is no continued presence condition, the expense is not deferred, but recognised immediately with a corresponding liability in the balance sheet. This is then revised on each reporting date until settlement to take into account any performance conditions and the change in the BNP Paribas share price.

1.l PROVISIONS RECORDED UNDER LIABILITIES

Provisions recorded under liabilities (other than those relating to financial instruments, employee benefits and insurance contracts) mainly relate to restructuring, claims and litigation, fines and penalties.

A provision is recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle an obligation arising from a past event, and a reliable estimate can be made of the amount of the obligation. The amount of such obligations is discounted, where the impact of discounting is material, in order to determine the amount of the provision.

1.m CURRENT AND DEFERRED TAX

The current income tax charge is determined on the basis of the tax laws and tax rates in force in each country in which the Group operates during the period in which the income is generated.

Deferred taxes are recognised when temporary differences arise between the carrying amount of an asset or liability in the balance sheet and its tax base.

Deferred tax liabilities are recognised for all taxable temporary differences other than:

- taxable temporary differences on initial recognition of goodwill;
- taxable temporary differences on investments in enterprises under the exclusive or joint control of the Group, where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences and unused carryforwards of tax losses only to the extent that it is probable that the entity in question will generate future taxable profits against which these temporary differences and tax losses can be offset.

Deferred tax assets and liabilities are measured using the liability method, using the tax rate which is expected to apply to the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been or will have been enacted by the balance sheet date of that period. They are not discounted.

Deferred tax assets and liabilities are offset when they arise within the same tax group, they fall under the jurisdiction of a single tax authority, and there is a legal right to offset.

As regards the assessment of uncertainty over income tax treatments, the Group adopts the following approach:

- the Group assesses whether it is probable that a taxation authority will accept an uncertain tax treatment;
- any uncertainty shall be reflected when determining the taxable profit (loss) by considering either the most likely amount (having the higher probability of occurrence), or the expected value (sum of the probability-weighted amounts).

Current and deferred taxes are recognised as tax income or expenses in the profit and loss account, except for those relating to a transaction or an event directly recognised in shareholders' equity, which are also recognised in shareholders' equity. This concerns in particular the tax effect of coupons paid on financial instruments issued by the Group and qualified as equity instruments, such as Undated Super Subordinated Notes.

When tax credits on revenues from receivables and securities are used to settle corporate income tax payable for the period, the tax credits are recognised on the same line as the income to which they relate. The corresponding tax expense continues to be carried in the profit and loss account under "Corporate income tax".

1.n USE OF ESTIMATES IN THE PREPARATION OF THE FINANCIAL STATEMENTS

Preparation of the financial statements requires managers of core businesses and corporate functions to make assumptions and estimates that are reflected in the measurement of income and expense in the profit and loss account and of assets and liabilities in the balance sheet, and in the disclosure of information in the notes to the financial statements. This requires the managers in question to exercise their judgement and to make use of information available at the date of the preparation of the financial statements when making their estimates. The actual future results from operations where managers have made use of estimates may in reality differ significantly from those estimates, mainly according to market conditions. This may have a material effect on the financial statements.

This applies in particular to:

- the analysis of the cash flow criterion for specific financial assets;
- the measurement of expected credit losses. This applies in particular to the assessment of significant increase in credit risk, the models and assumptions used to measure expected credit losses, the determination of the different economic scenarios and their weighting;

- the analysis of renegotiated loans, in order to assess whether they should be maintained on the balance-sheet or derecognised;
- the assessment of an active market, and the use of internally developed models for the measurement of the fair value of financial instruments not quoted in an active market classified in “Financial assets at fair value through equity”, or in “Financial instruments at fair value through profit or loss”, whether as assets or liabilities, and more generally calculations of the fair value of financial instruments subject to a fair value disclosure requirement;
- the assumptions applied to assess the sensitivity to each type of market risk of the market value of financial instruments and the sensitivity of these valuations to the main unobservable inputs as disclosed in the notes to the financial statements;
- the appropriateness of the designation of certain derivative instruments such as cash flow hedges, and the measurement of hedge effectiveness;
- impairment tests performed on intangible assets;
- the estimation of residual assets values under simple lease agreements. These values are used as a basis for the determination of depreciation as well as any impairment, notably in relation to the effect of environmental considerations on the evaluation of future prices of second-hand vehicles;
- the deferred tax assets;
- the estimation of insurance technical reserves and policyholders’ surplus reserves;
- the measurement of uncertainty over income tax treatments and other provisions for contingencies and charges. In particular, while investigations and litigations are ongoing, it is difficult to foresee their outcome and potential impact. Provision estimation is established by taking into account all available information at the date of the preparation of the financial statements, in particular the nature of the dispute, the underlying facts, the ongoing legal proceedings and court decisions, including those related to similar cases. The Group may also use the opinion of experts and independent legal advisers to exercise its judgement.

1.o CASH FLOW STATEMENT

The cash and cash equivalents balance is composed of the net balance of cash accounts and accounts with central banks, and the net balance of interbank demand loans and deposits.

Changes in cash and cash equivalents related to operating activities reflect cash flows generated by the Group’s operations, including those relating to financial investments of insurance activities and negotiable certificates of deposit.

Changes in cash and cash equivalents related to investing activities reflect cash flows resulting from acquisitions and disposals of subsidiaries, associates or joint ventures included in the consolidated Group, as well as acquisitions and disposals of property, plant and equipment excluding investment property and property held under operating leases.

Changes in cash and cash equivalents related to financing activities reflect the cash inflows and outflows resulting from transactions with shareholders, cash flows related to bonds and subordinated debt, and debt securities (excluding negotiable certificates of deposit).

2. NOTES TO THE PROFIT AND LOSS ACCOUNT FOR THE FIRST HALF OF 2022

2.a NET INTEREST INCOME

The BNP Paribas Group includes in “Interest income” and “Interest expense” all income and expense calculated using the effective interest method (interest, fees and transaction costs) from financial instruments measured at amortised cost and financial instruments measured at fair value through equity.

These items also include the interest income and expense of non-trading financial instruments the characteristics of which do not allow for recognition at amortised cost or at fair value through equity, as well as of financial instruments that the Group has designated as at fair value through profit or loss. The change in fair value on financial instruments at fair value through profit or loss (excluding accrued interest) is recognised under “Net gain on financial instruments at fair value through profit or loss”.

Interest income and expense on derivatives accounted for as fair value hedges are included with the revenues generated by the hedged item. Similarly, interest income and expense arising from derivatives used to hedge transactions designated as at fair value through profit or loss is allocated to the same accounts as the interest income and expense relating to the underlying transactions.

In the case of a negative interest rates related to loans and receivables or deposits from customers and credit institutions, they are accounted for in interest expense or interest income respectively.

In millions of euros	First half 2022			First half 2021 *restated according to IFRS 5*		
	Income	Expense	Net	Income	Expense	Net
Financial instruments at amortised cost	**13,655**	**(4,497)**	**9,158**	**11,816**	**(3,376)**	**8,440**
Deposits, loans and borrowings	12,163	(3,200)	8,963	10,560	(2,405)	8,155
Repurchase agreements	115	(8)	107	83	(20)	63
Finance leases	860	(50)	810	765	(45)	720
Debt securities	517		517	408		408
Issued debt securities and subordinated debt		(1,239)	(1,239)		(906)	(906)
Financial instruments at fair value through equity	**425**	**-**	**425**	**756**	**-**	**756**
Financial instruments at fair value through profit or loss (Trading securities excluded)	**20**	**(70)**	**(50)**	**73**	**(176)**	**(103)**
Cash flow hedge instruments	**1,271**	**(718)**	**553**	**954**	**(472)**	**482**
Interest rate portfolio hedge instruments	**1,544**	**(1,290)**	**254**	**1,263**	**(966)**	**297**
Lease liabilities	**-**	**(22)**	**(22)**	**-**	**(22)**	**(22)**
Total interest income/(expense)	**16,915**	**(6,597)**	**10,318**	**14,862**	**(5,012)**	**9,850**

Interest income on individually impaired loans amounted to EUR 145 million for the first half of 2022, compared to EUR 175 million for the first half of 2021.

The Group subscribed to the TLTRO III *(targeted longer-term refinancing operations)* programme, as modified by the Governing Council of the European Central Bank in March 2020 and in December 2020 (see note 4.f). The Group achieved the lending performance thresholds that enabled it to benefit from a favourable interest rate (average rate of the deposit facility ("DFR") -50 basis points for the first two years, and average DFR over the life of the TLTRO III operation for the following year). This floating interest rate is considered as a market rate as it is applicable to all financial institutions meeting the lending criteria defined by the European Central Bank. The effective interest rate of these financial liabilities is determined for each reference period, its two components (reference rate and margin) being adjustable. It corresponds to the nominal interest rate, i.e. -1% in 2020, 2021 and until June 2022. From June 2022 until repayment, it will be based on the average of daily DFR over the life of the TLTRO III operation (i.e. up to a three-year period).

2.b COMMISSION INCOME AND EXPENSE

	First half 2022			First half 2021 *restated according to IFRS 5*		
In millions of euros	**Income**	**Expense**	**Net**	**Income**	**Expense**	**Net**
Customer transactions	2,325	(554)	1,771	2,096	(469)	1,627
Securities and derivatives transactions	1,034	(806)	228	1,212	(822)	390
Financing and guarantee commitments	585	(41)	544	597	(49)	548
Asset management and other services	2,732	(186)	2,546	2,606	(188)	2,418
Others	598	(628)	(30)	614	(559)	55
Commission income/expense	**7,274**	**(2,215)**	**5,059**	**7,125**	**(2,087)**	**5,038**
- of which net commission income related to trust and similar activities through which the Group holds or invests assets on behalf of clients, trusts, pension and personal risk funds or other institutions	*1,675*	*(127)*	*1,548*	*1,542*	*(124)*	*1,418*
- of which commission income and expense on financial instruments not measured at fair value through profit or loss	*1,534*	*(165)*	*1,369*	*1,567*	*(196)*	*1,371*

2.c NET GAIN ON FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

Net gain on financial instruments measured at fair value through profit or loss includes all profit and loss items relating to financial instruments held for trading, financial instruments that the Group has designated as at fair value through profit or loss, non-trading equity instruments that the Group did not choose to measure at fair value through equity, as well as debt instruments whose cash flows are not solely repayments of principal and interest on the principal or whose business model is not to collect cash flows nor to collect cash flows and sell the assets.

These income items include dividends on these instruments and exclude interest income and expense from financial instruments designated as at fair value through profit or loss and instruments whose cash flows are not only repayments of principal and interest on the principal or whose business model is not to collect cash flows nor to collect cash flows and sell the assets, which are presented in “Net interest income” (note 2.a).

In millions of euros	First half 2022	First half 2021 *restated according to IFRS 5*
Financial instruments held for trading	**(5,842)**	**5,135**
Interest rate and credit instruments	(5,854)	(2,563)
Equity financial instruments	(6,042)	4,967
Foreign exchange financial instruments	4,388	1,528
Loans and repurchase agreements	(49)	80
Other financial instruments	1,715	1,123
Financial instruments designated as at fair value through profit or loss	**11,140**	**(1,359)**
Other financial instruments at fair value through profit or loss	**311**	**308**
Debt instruments	(39)	(5)
Equity instruments	350	313
Impact of hedge accounting	**(27)**	**(14)**
Fair value hedging derivatives	(7,377)	(1,467)
Hedged items in fair value hedge	7,350	1,453
Net gain on financial instruments at fair value through profit or loss	**5,582**	**4,070**

Gains and losses on financial instruments designated as at fair value through profit or loss are mainly related to instruments which changes in value may be compensated by changes in the value of economic hedging derivative financial instruments held for trading.

Net gain on financial instruments held for trading in the first halves of 2022 and 2021 include a non-material amount related to the ineffective portion of cash flow hedges.

Potential sources of ineffectiveness can be the differences between hedging instruments and hedged items, notably generated by mismatches in the terms of hedged and hedging instruments, such as the frequency and timing of interest rates resetting, the frequency of payments and the discounting factors, or when hedging derivatives have a non-zero fair value at inception date of the hedging relationship. Credit valuation adjustments applied to hedging derivatives are also sources of ineffectiveness.

Cumulated changes in fair value related to discontinued cash flow hedge relationships, previously recognised in equity and included in the first half of 2022 in profit and loss accounts are not material, whether the hedged item ceased to exist or not.

2.d NET GAIN ON FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH EQUITY

In millions of euros	First half 2022	First half 2021 *restated according to IFRS 5*
Net gain on debt instruments	-	37
Dividend income on equity instruments	110	70
Net gain on financial instruments at fair value through equity	**110**	**107**

Interest income from debt instruments is included in note 2.a *Net interest income*, and impairment losses related to potential issuer default are included in note 2.h *Cost of risk*.

2.e NET INCOME FROM INSURANCE ACTIVITIES

In millions of euros	First half 2022	First half 2021 *restated according to IFRS 5*
Premiums earned	14,683	14,034
Net gain from investment contracts with discretionary participation feature and other services	12	14
Net income from financial investments	(9,662)	9,081
Technical charges related to contracts	(1,594)	(19,795)
Net charges from ceded reinsurance	(201)	(88)
External services expenses	(943)	(928)
Net income from insurance activities	**2,295**	**2,318**

- **Net income from financial investments**

In millions of euros	First half 2022	First half 2021 *restated according to IFRS 5*
Net gain on available-for-sale financial assets	1,330	1,752
Interest income and dividends	*1,461*	*1,390*
Additions to impairment provisions	*(17)*	*(3)*
Net disposal gains	*(114)*	*365*
Net gain on financial instruments at fair value through profit or loss	(11,079)	7,193
Net gain on financial instruments at amortised cost	50	74
Investment property income	39	68
Share of earnings of equity-method investments	1	(4)
Other expense	(3)	(2)
Net income from financial investments	**(9,662)**	**9,081**

2.f NET INCOME FROM OTHER ACTIVITIES

In millions of euros	First half 2022			First half 2021 *restated according to IFRS 5*		
	Income	Expense	Net	Income	Expense	Net
Net income from investment property	36	(21)	15	32	(19)	13
Net income from assets held under operating	6,544	(5,213)	1,331	6,239	(5,297)	942
Net income from property development activities	299	(238)	61	493	(438)	55
Other net income	772	(848)	(76)	1,002	(1,044)	(42)
Total net income from other activities	**7,651**	**(6,320)**	**1,331**	**7,766**	**(6,798)**	**968**

2.g OTHER OPERATING EXPENSES

In millions of euros	First half 2022	First half 2021 *restated according to IFRS 5*
External services and other operating expenses	(4,329)	(3,939)
Taxes and contributions [1]	(2,137)	(1,714)
Total other operating expenses	**(6,466)**	**(5,653)**

[1] Contributions to European resolution fund, including exceptional contributions, amount to EUR 1,256 million for the first half of 2022 compared with EUR 967 million for the first half of 2021.

2.h COST OF RISK

The general model for impairment described in note 1.e.5 used by the Group relies on the following two steps:

- assessing whether there has been a significant increase in credit risk since initial recognition, and
- measuring impairment allowance as either 12-month expected credit losses or lifetime expected credit loss (i.e. loss expected at maturity).

Both steps shall rely on forward looking information.

Significant increase in credit risk

The assessment of increase in credit risk is done at instrument level based on indicators and thresholds that vary depending on the nature of the exposure and the type of the counterparty.

The internal credit rating methodology used by the Group is described in chapter 5 of the Universal Registration Document (section 5.4 Credit risk). This section describes how environmental, social and governance (ESG) risks are taken into account in credit and rating policies, notably with the introduction of a new tool: the *ESG Assessment*.

- *Wholesale (Corporates / Financial institutions / Sovereigns) and bonds*

The indicator used for assessing increase in credit risk is the internal counterparty rating of the obligor of the facility.

The deterioration in credit quality is considered significant, and the facility is therefore placed in stage 2, if the difference between the counterparty rating at origination and the one as at the reporting date is equal or superior to 3 notches (for instance, a downgrade from 4- to 5-).

The low risk expedient permitted by IFRS 9 (i.e. whereby bonds with an investment grade rating at reporting date are considered as stage 1, and bonds with a non-investment grade rating at reporting date are considered as stage 2) is used only for debt securities for which no ratings are available at acquisition date.

- *SME Corporates facilities and Retail*

As far as SME Corporates exposures are concerned, the indicator used for assessing increase in credit risk is also the internal counterparty rating of the obligor of the facility. Due to a higher volatility in the rating system applied, deterioration is considered significant, and the facility is therefore placed in stage 2, if the difference between the counterparty rating at origination and the one as at the reporting date is equal or superior to 6 notches.

For retail exposures, two alternative risk indicators of increase in credit risk can be taken into consideration:

- probability of default (PD): changes in the 1-year probability of default are considered as a reasonable approximation of changes in the lifetime probability of default. Deterioration in credit quality is considered significant, and the facility is therefore placed in stage 2, if the ratio (1 year PD at the reporting date / 1 year PD at origination) is higher than 4;
- existence of a past due within the last 12 months: in the consumer credit specialised business, the existence of a past due that has occurred within the last 12 months, even if regularised since, is considered as a significant deterioration in credit risk and the facility is therefore placed into stage 2.

Furthermore, for all portfolios (except consumer credit specialised business):

- the facility is assumed to be in stage 1 when its rating is better than or equal to 4- (or its 1 year PD is below or equal to 0.25%) at reporting date, since changes in PD related to downgrades in this zone are less material, and therefore not considered as “significant”;
- when the rating is worse than or equal to 9+ (or the 1 year PD is above 10%) at reporting date considering the Group’s practice in terms of credit origination, it is considered as significantly deteriorated and therefore placed into stage 2 (as long as the facility is not credit-impaired).

As a backstop, when an asset becomes 30 days past due, the credit risk is deemed to have increased significantly since initial recognition and the asset is therefore placed into stage 2.

In the first half of 2022, the internal ratings of the Russian counterparties (including the sovereign rating) were systematically downgraded to take into account recent events, thus leading to the transfer of their outstandings to stage 2. However, given the Group's limited level of exposure to this country, this deterioration had no significant effect on the cost of risk for the period.

Forward Looking Information

The Group considers forward-looking information both when assessing significant increase in credit risk and when measuring Expected Credit Losses (ECL).

Regarding the assessment of significant increase in credit risk, beyond the rules based on the comparison of risk parameters between initial recognition and reporting date (see *Significant increase in credit risk* section), the determination of significant increase in credit risk is supplemented by the consideration of more systemic forward-looking factors (such as macroeconomic, sectorial and geographical risk drivers) that could increase the credit risk of some exposures. These factors can lead to tighten the transfer criteria into stage 2, resulting in an increase of ECL amounts for exposures deemed vulnerable to these forward-looking drivers. Thus, for loans that have not experienced a significant deterioration in credit quality since origination, this mechanism may lead to the classification of facilities in stage 2 in anticipation of a future downgrade of their individual rating beyond the deterioration threshold, in relation to the macroeconomic outlook of their sector and geography.

Regarding the measurement of expected credit losses, the Group has made the choice to use 3 macroeconomic scenarios by geographic area covering a wide range of potential future economic conditions:

- a baseline scenario, consistent with the scenario used for budgeting;
- an adverse scenario, corresponding to the scenario used quarterly in Group stress tests;
- a favourable scenario, capturing situations where the economy performs better than anticipated.

The link between the macroeconomic scenarios and the ECL measurement is mainly achieved through a modelling of the probabilities of default and deformation of migration matrices based on internal rating (or risk parameter). The probabilities of default determined according to these scenarios are used to measure expected credit losses in each of these situations.

The weight to be attributed to the expected credit losses calculated in each of the scenarios is defined as 50% for the central scenario and:

- the weight of the two alternative scenarios is defined according to the position in the credit cycle. In this approach, the adverse scenario carries a higher weight in the situations at the upper end of the cycle than in the situations at the lower end of the cycle, in anticipation of a potential downturn in the economy.
- the minimum weight of each the alternative scenarios is 10% and therefore the maximum weight is 40%.

In addition, when appropriate, the ECL measurement can take into account scenarios of sale of the assets.

Macroeconomic scenarios

The three macroeconomic scenarios are defined over a three-year projection horizon. They correspond to:

- a baseline scenario which describes the most likely path of the economy over the projection horizon. This scenario is updated on a quarterly basis and is prepared by the Group Economic Research department in collaboration with various experts within the Group. Projections are designed for each key market of the Group (France, Belgium, Italy, the United States and the eurozone) using key macroeconomic variables (Gross Domestic Product - GDP - and its components, unemployment rate, consumer prices, interest rates, foreign exchange rates, oil prices, real estate prices, *etc.*) which are key drivers for modeling risk parameters used in the stress test process.

  In addition, post-model adjustments are considered to take into account, where applicable, the consequences of climatic events on expected credit losses;
- an adverse scenario which describes the impact of the materialisation of some of the risks weighing on the baseline scenario, resulting in a much less favourable economic path than in the baseline scenario. A GDP shock is applied with variable magnitudes, but simultaneously, to considered economies. Generally, these assumptions are broadly consistent with those proposed by the regulators. The calibration of shocks on other variables (e.g. unemployment, consumer prices, interest rates, etc.) is based on models and expert judgment;
- a favourable scenario which reflects the impact of the materialisation of some of the upside risks for the economy, resulting in a much more favourable economic path. To achieve an unbiased estimation of provisions, the favourable scenario is designed in such a way that the probability of the shock to GDP growth (on average over the cycle) is equal to the probability of the corresponding shock in the adverse scenario. The magnitude of the observed shocks generally corresponds to 80%-95% of the magnitude of adverse GDP shocks with the same probability of occurrence. Other variables (e.g. unemployment, inflation, interest rates, *etc.*) are defined in the same way as in the adverse scenario.
  Since 30 June 2021, the applied favourable shocks have been substantially reduced, as any stronger path than in the baseline scenario may be limited by supply side constraints.

The link between the macroeconomic scenarios and the measurement of the ECL is complemented by an approach allowing to take into account aspects of anticipation not captured by the models in the generic approach. This is particularly the case when unprecedented events in the historical chronicle taken into account to build the models occur or are anticipated, or when the nature or amplitude of variation of a macroeconomic parameter calls into question past correlations. Thus, the situation of high inflation and the current and projected increase in interest rates corresponds to an aspect not observed in the reference history. In this context, the Group has developed an approach to take into account future economic outlook when assessing the financial strength of counterparties. This approach consists in simulating the impact of rate hikes on their financial ratios and the effect on their ratings.

Baseline scenario

Activity rebounded sharply in 2021, reflecting (i) a mechanical catch-up, (ii) government and central bank measures, and (iii) a weaker impact of the health crisis on activity.

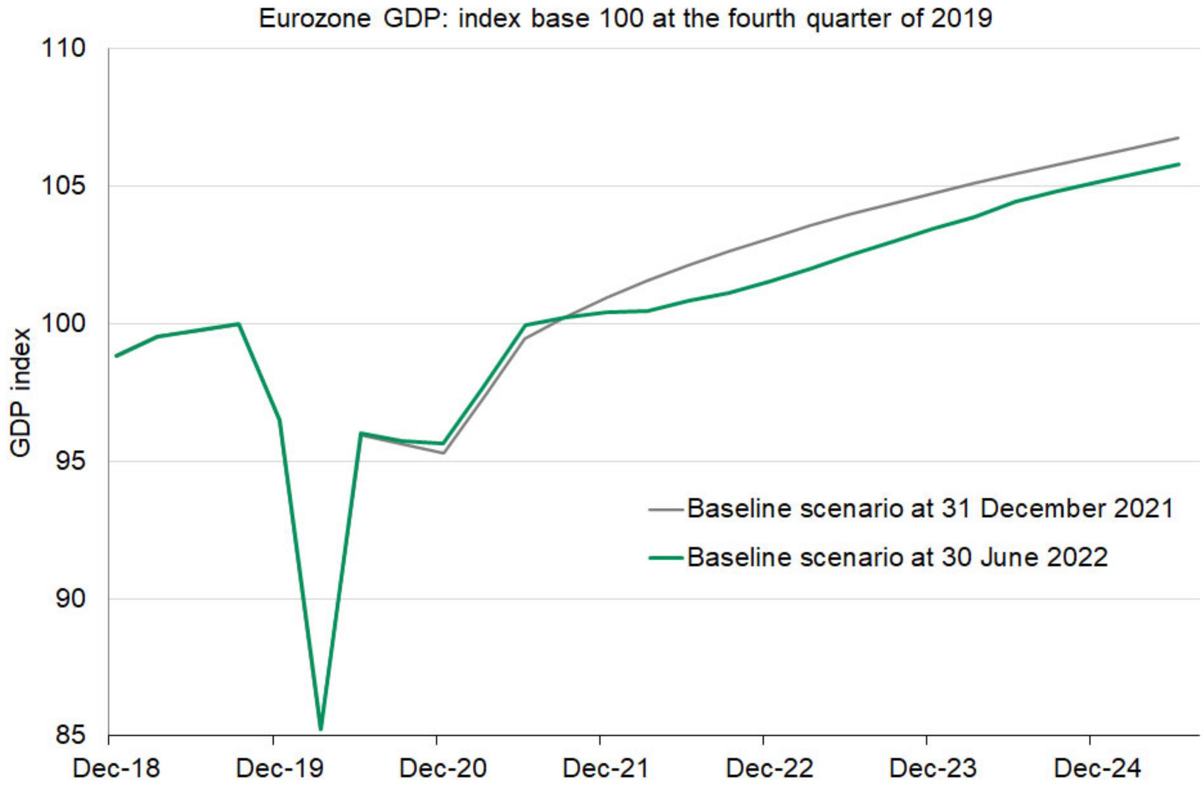
Growth is expected to significantly slowdown in the course of 2022, due to the vanishing of the catching-up effect related to the health crisis, the impact of the situation in Ukraine, and less supportive monetary and fiscal policies. This slowdown is assumed to extend in the following years, with GDP growth rates getting closer to potential rates.

The downward revision of growth, following the conflict in Ukraine, is particularly pronounced in European countries the most exposed to this situation, notably Eastern Europe. In the eurozone, GDP growth in 2022 is thus estimated to be 1.4 points lower than estimated before the outbreak of the conflict (at 2.4% against 3.8%).

At the same time, inflation is expected to reach very high levels in many countries in 2022, reflecting extremely high energy and food price inflation as well as severe supply side constraints caused by the health crisis and the conflict in Ukraine. This situation may fuel social tensions in addition to its direct effects on household purchasing power. Inflation should moderate in subsequent years, in particular due to the dissipation of the effects of the rise in energy prices and the tightening of monetary policies, despite the tensions observed on the labour market, with particularly low unemployment rates.

The conflict in Ukraine has a significant impact on the baseline scenario in 2022 as it causes a significant downward revision of growth projections and a very marked upward revision of inflation projections in many countries. These inflationary pressures could be limited by the actions of central banks through substantial interest rates hikes in 2022 and 2023.

The graph below presents a comparison of GDP projections used in the baseline scenario for the calculation of ECLs at 31 December 2021 and at 30 June 2022.



- **GDP growth rate, baseline scenario at 30 June 2022**
  (annual average)

	2021	2022	2023	2024
Eurozone	5.4%	2.4%	1.5%	1.8%
France	7.0%	2.7%	1.5%	1.7%
Italy	6.6%	2.3%	1.1%	1.3%
Belgium	6.2%	2.2%	1.3%	1.5%
United States	5.7%	2.3%	1.6%	2.4%

- **10-year sovereign bond yields, baseline scenario at 30 June 2022**
  (annual average)

	2021	2022	2023	2024
Germany	-0.33%	1.01%	1.63%	1.70%
France	-0.04%	1.50%	2.08%	2.10%
Italy	0.73%	2.96%	3.69%	3.70%
Belgium	-0.05%	1.48%	2.13%	2.20%

United States	1.45%	2.99%	3.38%	3.13%

Adverse Scenario

The adverse scenario assumes the materialisation of some downside risks, resulting in a much less favourable economic path than in the baseline scenario.

Two key risks are identified:

- **A dominant risk, the conflict in Ukraine and its implications:** the impacts mentioned in the baseline scenario could worsen, depending in particular on possible reinforcements of sanctions which could lead to further disruptions in commodity markets, global value chains and trade. These elements would weigh even more on inflation than in the baseline scenario.
- **The risk related to the health crisis:** although the link between health challenges and economic disruptions has eased markedly in many economies over the past year particularly thanks to vaccination, health crisis-related challenges remain a significant risk, at least in some countries, as the current developments in China illustrate.

These two main risks are susceptible to feed a number of negative developments:

- **Supply disruptions in several sectors:** these disruptions are likely to both weigh on activity and support inflation.
- **Higher inflation:** strains in commodity markets and supply chain disruptions boost inflation, with direct consequences on purchasing power, and other indirect impacts such as less accommodative monetary policy.
- **Geopolitical risks:** geopolitical tensions can weigh on the global economy through shocks to commodity prices, financial markets and business confidence. The conflict in Ukraine and the resulting international sanctions have reinforced this risk factor. Tensions in the Middle East and Asia are under monitoring.
- **Developments in trade and globalisation:** the conflict in Ukraine creates additional obstacles to trade and globalisation, adding to already negative developments of recent years (trade disagreements between the United States and China, the will of a number of western governments to become more self-sufficient in some strategic areas).
- **Less supportive public finances:** public debt-to-GDP ratios have increased massively. Central banks have started to normalise monetary policy, leading to a rise in bond yields, which could generate some tensions in some countries due to the widening of spreads between sovereign bonds.
- **China-related risks:** Lockdown measures, but also real estate and political tensions, could affect global markets, trade and commodity prices.

The adverse scenario assumes the materialisation of these identified latent risks from the third quarter of 2022.

Risks related to the conflict in Ukraine are taken into account in the adverse scenario through some (new) specificities. First, an additional activity shock is applied to the different economies, depending on their perceived exposure to this situation (based on indicators covering different transmission channels: exports, energy dependence, supply chain dependence, weight of food and energy in inflation, investment links, political links with Russia). Second, inflation is assumed to be higher in the adverse scenario than in the baseline scenario over the first years of the projection horizon, in order to materialize the specific effects of this crisis in this area (higher prices of energy and food, supply chain disruptions).

Among considered countries, GDP levels in the adverse scenario stand between 5.8% and 10.2% lower than in the baseline scenario at the end of the shock period (three years), at 30 June 2022. In particular, this deviation reaches 8.7% on average in the eurozone and 5.8% in the United States.

Scenario weighting and cost of risk sensitivity

At 30 June 2022, the weight of the adverse scenario considered by the Group was 18% and 32% for the favourable scenario. At 31 December 2021, the weight of the adverse scenario was on average equivalent to that of the favourable scenario.

The sensitivity of the amount of expected credit losses for all financial assets at amortised cost or at fair value through equity and credit commitments is assessed by comparing the estimated expected credit losses resulting from the weighting of the above scenarios with that resulting from each of the two alternative scenarios:

- an increase in ECL of 18%, or EUR 1,050 million according to the adverse scenario (similarly 18% at 31 December 2021);
- a decrease in ECL of 8%, or EUR 450 million according to the favourable scenario (12% at 31 December 2021).

Adaptation of the ECL assessment process to factor in the specific nature of the health crisis:

Macroeconomic scenarios provisioning the models:

The measurement of the impact of macroeconomic scenarios on expected credit losses has been adjusted to reflect the specificities of the current health crisis. Given the exceptional nature of the shock linked to the temporary lockdown measures and strong support provided by governments and central banks, macroeconomic parameters for each country or geographic area included in the pre-existing models (calibrated on past crises) have been adapted in order to extract the information on the medium-term impacts on macroeconomic environment and thus minimize excessive short-term volatility.

In 2020, the medium-term perspective adopted for the baseline scenario reduced the loss of income for the eurozone by an amount much lower than that of governments and European Central Bank support measures. Conversely, it has led to a moderation in the favourable impacts of the economic rebounds observed in 2021. This adaptation took an end in 2021.

Moratoria and state guarantees:

For the new loans secured by a state guarantee (mostly in France and Italy), the computation of expected credit losses has been adjusted accordingly.

Besides, the absence of a general maturity extension scheme for individuals, notably in France, led to classify as forborne the loans that benefited from accompanying measures that were not initially provided for under the contract. However, these measures were not considered as an automatic criterion for transfer to stage 2.

Post-model adjustments:

Conservative adjustments were taken into account when the models used were based on indicators that show unusual levels in the context of the health crisis and the support programmes, such as the increase in deposits and the decrease in past due events for retail customers and entrepreneurs.

For the consumer credit specialised business, a conservative adjustment had been considered in 2020 for loans that benefitted from a moratorium. In 2021, this adjustment was reversed in connection with the satisfactory return to payment observed on these loans. However, a conservative adjustment had been established to compensate for the atypical level of late payments. This was reversed in the first half of 2022.

Adaptation of the ECL assessment process to factor in the significant rise in inflation and in interest rates:

Additional adjustments were made in the first half of 2022 to take into account the effects of inflation and interest rates hike. For example, within the consumer credit specialised business, adjustments were considered on the categories of customers most sensitive to the gradual decline in the level of their net income.

All of these adjustments represent 5.0% of the total amount of expected credit losses at 30 June 2022, compared to 4.8% at 31 December 2021.

- **Cost of credit risk for the period**

In millions of euros	First half 2022	First half 2021 *restated according to IFRS 5*	First half 2021 *including discontinued activities*
Net allowances to impairment	(1,319)	(1,586)	(1,628)
Recoveries on loans and receivables previously written off	185	140	185
Losses on irrecoverable loans	(276)	(261)	(266)
Total cost of risk for the period	**(1,410)**	**(1,707)**	**(1,709)**

Cost of risk for the period by accounting categories and asset type

In millions of euros	First half 2022	First half 2021 *restated according to IFRS 5*
Cash and balances at central banks	(5)	(2)
Financial instruments at fair value through profit or loss	(1)	4
Financial assets at fair value through equity	5	(8)
Financial assets at amortised cost	(1,409)	(1,544)
Loans and receivables	*(1,406)*	*(1,538)*
Debt securities	*(3)*	*(6)*
Other assets	(12)	16
Financing and guarantee commitments and other items	12	(173)
Total cost of risk for the period	**(1,410)**	**(1,707)**
Cost of risk on unimpaired assets and commitments	*(309)*	*(387)*
of which stage 1	*(65)*	*30*
of which stage 2	*(244)*	*(417)*
Cost of risk on impaired assets and commitments - stage 3	*(1,101)*	*(1,320)*

- **Credit risk impairment**

Change in impairment by accounting category and asset type during the period

In millions of euros	31 December 2021	Net allowance to impairment	Impairment provisions used	Effect of exchange rate movements and other	30 June 2022
Assets impairment					
Amounts due from central banks	18	5		(1)	22
Financial instruments at fair value through profit or loss	121	2		(28)	95
Impairment of assets at fair value through equity	140	(5)		5	140
Financial assets at amortised cost	20,196	1,344	(2,128)	273	19,685
Loans and receivables	*20,028*	*1,342*	*(2,055)*	*278*	*19,593*
Debt securities	*168*	*2*	*(73)*	*(5)*	*92*
Other assets	59	(5)	(1)	(6)	47
Total impairment of financial assets	**20,534**	**1,341**	**(2,129)**	**243**	**19,989**
of which stage 1	*1,891*	*26*	*(9)*	*2*	*1,910*
of which stage 2	*2,748*	*290*	*(4)*	*92*	*3,126*
of which stage 3	*15,895*	*1,025*	*(2,116)*	*149*	*14,953*
Provisions recognised as liabilities					
Provisions for commitments	958	(26)	(10)	17	939
Other provisions	467	4	(32)		439
Total provisions recognised for credit commitments	**1,425**	**(22)**	**(42)**	**17**	**1,378**
of which stage 1	*230*	*45*		*(2)*	*273*
of which stage 2	*374*	*(45)*		*11*	*340*
of which stage 3	*821*	*(22)*	*(42)*	*8*	*765*
Total impairment and provisions	**21,959**	**1,319**	**(2,171)**	**260**	**21,367**

Change in impairment by accounting category and asset type during the previous period

In millions of euros	31 December 2020	Net allowance to impairment *including discontinued activities*	Impairment provisions used	Effect of exchange rate movements and other	30 June 2021
Assets impairment					
Amounts due from central banks	17	1		(3)	15
Financial instruments at fair value through profit or loss	148	(17)		4	135
Impairment of assets at fair value through equity	132	8	(2)	1	139
Financial assets at amortised cost	21,704	1,523	(1,575)	275	21,927
Loans and receivables	*21,546*	*1,517*	*(1,575)*	*278*	*21,766*
Debt securities	*158*	*6*		*(3)*	*161*
Other assets	104	(15)	(27)		62
Total impairment of financial assets	**22,105**	**1,500**	**(1,604)**	**277**	**22,278**
of which stage 1	*2,379*	*(61)*	*(2)*	*(5)*	*2,311*
of which stage 2	*3,166*	*314*	*(3)*	*(174)*	*3,303*
of which stage 3	*16,560*	*1,247*	*(1,599)*	*456*	*16,664*
Provisions recognised as liabilities					
Provisions for commitments	964	89		6	1,059
Other provisions	383	39	(29)	17	410
Total provisions recognised for credit commitments	**1,347**	**128**	**(29)**	**23**	**1,469**
of which stage 1	*319*	*(11)*		*14*	*322*
of which stage 2	*297*	*102*		*(10)*	*389*
of which stage 3	*731*	*37*	*(29)*	*19*	*758*
Total impairment and provisions	**23,452**	**1,628**	**(1,633)**	**300**	**23,747**

Change in impairment of amortised cost financial assets during the period

In millions of euros	Impairment on assets subject to 12-month Expected Credit Losses (Stage 1)	Impairment on assets subject to lifetime Expected Credit Losses (Stage 2)	Impairment on doubtful assets (Stage 3)	Total
At 31 December 2021	**1,867**	**2,714**	**15,615**	**20,196**
Net allowance to impairment	**16**	**291**	**1,037**	**1,344**
Financial assets purchased or originated during	332	106		438
Financial assets derecognised during the period [1]	(176)	(166)	(392)	(734)
Transfer to stage 2	(128)	1,088	(117)	843
Transfer to stage 3	(10)	(316)	822	496
Transfer to stage 1	64	(364)	(18)	(318)
Other allowances / reversals without stage [2]	(66)	(57)	742	619
Impairment provisions used	**(8)**	**(5)**	**(2,115)**	**(2,128)**
Changes in exchange rate	**(1)**	**26**	**183**	**208**
Changes in scope of consolidation and other	**1**	**65**	**(1)**	**65**
At 30 June 2022	**1,875**	**3,091**	**14,719**	**19,685**

(1) including disposals

(2) including amortisation

Change in impairment of amortised cost financial assets during the previous period

In millions of euros	Impairment on assets subject to 12-month Expected Credit Losses (Stage 1)	Impairment on assets subject to lifetime Expected Credit Losses (Stage 2)	Impairment on doubtful assets (Stage 3)	Total
At 31 December 2020	**2,343**	**3,142**	**16,219**	**21,704**
Net allowance to impairment [1]	**(49)**	**305**	**1,267**	**1,523**
Financial assets purchased or originated during	355	134		489
Financial assets derecognised during the period [2]	(235)	(188)	(343)	(766)
Transfer to stage 2	(163)	1,035	(227)	645
Transfer to stage 3	(28)	(397)	1,090	665
Transfer to stage 1	78	(430)	(41)	(393)
Other allowances / reversals without stage [3]	(56)	151	788	883
Impairment provisions used	**(2)**	**(3)**	**(1,570)**	**(1,575)**
Changes in exchange rate	**18**	**10**	**90**	**118**
Changes in scope of consolidation and other	**(19)**	**(185)**	**361**	**157**
At 30 June 2021	**2,291**	**3,269**	**16,367**	**21,927**

(1) including assets held for sale

(2) including disposals

(3) including amortisation

2.i Net gain on non-current assets

In millions of euros	First half 2022	First half 2021 *restated according to IFRS 5*
Gain or loss on investments in consolidated undertakings (note 6.c)	(241)	374
Gain or loss on tangible and intangible assets	(29)	287
Loss on net monetary position	(8)	
Net gain on non-current assets	**(278)**	**661**

According to IAS 29 in connection with the hyperinflation situation of the economy in Turkey, the line "Results from monetary positions" mainly includes the effect of the evolution of the consumer price index in Turkey on the valuation of non-monetary assets and liabilities (- EUR 299 million) and on accrued income from the Turkish government bonds portfolio indexed to inflation and held by Turk Ekonomi Bankasi AS (+ EUR 310 million, reclassified from interest margin).

2.j Corporate income tax

In millions of euros	First half 2022	First half 2021 *restated according to IFRS 5*
Net current tax expense	(1,268)	(1,639)
Net deferred tax expense	(851)	(434)
Corporate income tax expense	**(2,119)**	**(2,073)**

3. SEGMENT INFORMATION

The Group is composed of three operating divisions:

- **Corporate & Institutional Banking (CIB)** which covers Global Banking, Global Markets and Securities Services;

- **Commercial, Personal Banking & Services (CPBS)** which covers Commercial & Personal banking in the euro zone, with Commercial & Personal Banking in France (CPBF), Commercial & Personal Banking in Italy (BNL bc), Commercial & Personal Banking in Belgium (CPBB) and Commercial & Personal Banking in Luxembourg (CPBL); Commercial banking outside the euro zone, which are organised around Europe-Mediterranean, to cover Central and Eastern Europe and Turkey, and BancWest in the United States. Lastly, it also covers specialised businesses, (Arval, BNP Paribas Leasing Solutions, BNP Paribas Personal Finance, BNP Paribas Personal Investors and New digital business lines like Nickel, Floa, Lyf);

- **Investment & Protection Services (IPS)** which covers Insurance (BNP Paribas Cardif), Wealth and Asset Management (BNP Paribas Asset Management, BNP Paribas Wealth Management and BNP Paribas Real Estate), Management of the BNP Paribas Group's portfolio of unlisted and listed industrial and commercial investments (BNP Paribas Principal Investments).

Other activities mainly include activities related to the Group's central treasury function, some costs related to cross-business projects, the residential mortgage lending business of Personal Finance (a significant part of which is managed in run-off), and certain investments.

They also include non-recurring items resulting from applying the rules on business combinations. In order to provide consistent and relevant economic information for each core business, the impact of amortising fair value adjustments recognised in the net equity of entities acquired and restructuring costs incurred in respect to the integration of entities, have been allocated to the "Other Activities" segment. The same applies to transformation, adaptation and IT reinforcement costs relating to the Group's savings programmes.

Inter-segment transactions are conducted at arm's length. The segment information presented comprises agreed inter-segment transfer prices.

The capital allocation is carried out on the basis of risk exposure, taking into account various conventions relating primarily to the capital requirement of the business as derived from the risk-weighted asset calculations required under capital adequacy rules. Normalised equity income by segment is determined by attributing to each segment the income of its allocated equity. The equity allocation to segments is based on a minimum of 11 % of weighted assets. The breakdown of balance sheet by core business follows the same rules as the breakdown of the profit or loss by core business.

To provide a consistent reference with the presentation of the 2022 financial statements, the first half of 2021 of this note was restated for the following effects as if they had occurred on 1 January 2021:

- the new organisation of the Group;
- the change in method of internal allocation of the contribution to the Single Resolution Fund (SRF), impacting the breakdown among business lines of the banking taxes and contributions submitted to IFRIC 21. The Group has defined a new allocation key for the SRF between the businesses to better reflect the increased liquidity resources generated by commercial activity and the changing regulatory environment;
- limited internal transfers of activities and results, having marginal impact on the vision with 2/3 of Private Banking in the Commercial, Personal Banking in France and in Belgium.

These effects do not change the results for the Group as a whole but only the analytical breakdown.

The information and financial elements contained in this note reflect an operational view and include BancWest's activity within the various income statement aggregates. A separate line reconciles the operational view with the one impacted by the application of IFRS 5.

- **Income by business segment**

In millions of euros	First half 2022						First half 2021					
	Revenues	Operating expenses	Cost of risk	Operating income	Non-operating items	Pre-tax income	Revenues	Operating expenses	Cost of risk	Operating income	Non-operating items	Pre-tax income
Corporate & Institutional Banking	**8,809**	**(5,668)**	**(78)**	**3,063**	**13**	**3,077**	**7,384**	**(4,876)**	**(229)**	**2,279**	**41**	**2,320**
Global Banking	2,516	(1,472)	(65)	978	2	980	2,481	(1,357)	(249)	876	14	890
Global Markets	5,017	(3,158)	(13)	1,846	10	1,856	3,750	(2,563)	19	1,206	13	1,219
Securities Services	1,276	(1,037)		239	2	241	1,153	(957)	1	197	14	211
Commercial, Personal Banking & Services	**13,802**	**(8,906)**	**(1,038)**	**3,857**	**281**	**4,139**	**12,561**	**(8,416)**	**(1,351)**	**2,794**	**79**	**2,872**
Commercial, Personal Banking in the eurozone	***6,491***	***(4,655)***	***(377)***	***1,459***	***37***	***1,496***	***6,069***	***(4,451)***	***(519)***	***1,100***	***4***	***1,104***
Commercial, Personal Banking in France[(1)]	3,178	(2,272)	(150)	755	26	782	2,937	(2,168)	(215)	554	(2)	552
BNL banca commerciale[(1)]	1,281	(842)	(237)	203	2	205	1,300	(867)	(214)	219		219
Commercial, Personal Banking in Belgium[(1)]	1,810	(1,399)	2	413	8	421	1,632	(1,276)	(91)	264	6	270
Commercial, Personal Banking in Luxembourg[(1)]	222	(142)	8	87	2	89	201	(139)	2	63		63
Commercial, Personal Banking in the rest of the world	***2,429***	***(1,782)***	***77***	***723***	***175***	***898***	***2,153***	***(1,621)***	***(99)***	***434***	***72***	***506***
Europe-Mediterranean[(1)]	1,194	(836)	(87)	272	173	445	973	(825)	(97)	51	68	119
BancWest[(1)]	1,235	(947)	164	452	2	453	1,180	(796)	(2)	383	5	387
Specialised businesses	***4,882***	***(2,469)***	***(738)***	***1,675***	***69***	***1,744***	***4,338***	***(2,345)***	***(733)***	***1,261***	***2***	***1,263***
Personal Finance	2,759	(1,494)	(624)	642	28	670	2,651	(1,451)	(665)	536	6	542
Arval & Leasing Solutions	1,705	(707)	(79)	920	45	965	1,308	(657)	(66)	586	2	588
New Digital Businesses & Personal Investors[(1)]	417	(268)	(35)	114	(4)	110	379	(237)	(2)	139	(6)	133
Investment & Protections Services	**3,373**	**(2,119)**	**(13)**	**1,241**	**170**	**1,411**	**3,338**	**(2,016)**	**(8)**	**1,314**	**181**	**1,495**
Insurance	1,508	(780)	(1)	727	99	826	1,558	(750)		808	58	866
Wealth Management	782	(596)	(10)	176		176	736	(564)	(10)	162	1	163
Asset Management[(2)]	1,083	(743)	(1)	339	71	410	1,044	(702)	2	344	121	465
Other Activities	**16**	**(679)**	**(117)**	**(780)**	**(68)**	**(847)**	**322**	**(461)**	**(121)**	**(260)**	**589**	**330**
Total Group	**25,999**	**(17,372)**	**(1,245)**	**7,382**	**397**	**7,779**	**23,605**	**(15,769)**	**(1,709)**	**6,127**	**890**	**7,017**
Reclassification of discontinued activities (note 6.d)	**(1,309)**	**942**	**(165)**	**(532)**	**(1)**	**(533)**	**(1,241)**	**787**	**2**	**(452)**	**(5)**	**(457)**
Total continuing activities[(3)]	**24,690**	**(16,430)**	**(1,410)**	**6,850**	**396**	**7,246**	**22,364**	**(14,982)**	**(1,707)**	**5,675**	**885**	**6,560**

[(1)] Commercial, Personal Banking in France, BNL banca commerciale, Commercial, Personal Banking in Belgium, Commercial, Personal Banking in Luxembourg, Europe-Mediterranean, BancWest and Personal Investors after the reallocation within Wealth and Asset Management of one-third of the Wealth Management activities in France, Italy, Belgium, Luxembourg, Germany, Turkey, Poland and the United States.

[(2)] including Real Estate and Principal Investments.

[(3)] First half of 2021 restated according to IFRS 5.

- **Net commission income by business segment, including fees accounted for under « Net income from insurance activities »**

In millions of euros	First half 2022	First half 2021
Corporate & Institutional Banking	**1,072**	**1,258**
Global Banking	994	1,017
Global Markets	(702)	(444)
Securities Services	780	684
Commercial, Personal Banking & Services	**3,644**	**3,450**
Commercial, Personal Banking in the eurozone	***2,560***	***2,378***
Commercial, Personal Banking in France [1]	1,462	1,328
BNL banca commerciale [1]	523	526
Commercial, Personal Banking in Belgium [1]	529	487
Commercial, Personal Banking in Luxembourg [1]	45	36
Commercial, Personal Banking in the rest of the world	***433***	***403***
Europe-Mediterranean [1]	230	230
BancWest [1]	204	173
Specialised businesses	***651***	***670***
Personal Finance	368	390
Arval & Leasing Solutions	19	21
New Digital Businesses & Personal Investors[1]	264	259
Investment & Protections Services	**(414)**	**(419)**
Insurance	(1,615)	(1,566)
Wealth Management	422	418
Asset Management[2]	780	729
Other activities	**35**	**18**
Total Group	**4,337**	**4,308**

[1] Commercial, Personal Banking in France, BNL banca commerciale, Commercial, Personal Banking in Belgium, Commercial, Personal Banking in Luxembourg, Europe-Mediterranean, BancWest and Personal Investors after the reallocation within Wealth and Asset Management of one-third of the Wealth Management activities in France, Italy, Belgium, Luxembourg, Germany, Turkey, Poland and the United States.

[2] including Real Estate and Principal Investments.

4. NOTES TO THE BALANCE SHEET AT 30 JUNE 2022

4.a FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

Financial assets and financial liabilities at fair value through profit or loss consist of held-for-trading transactions - including derivatives -, of certain liabilities designated by the Group as at fair value through profit or loss at the time of issuance and of non-trading instruments whose characteristics prevent their accounting at amortised cost or at fair value through equity.

In millions of euros	30 June 2022				31 December 2021			
	Financial instruments held for trading	Financial instruments designated as at fair value through profit or loss	Other financial assets at fair value through profit or loss	Total	Financial instruments held for trading	Financial instruments designated as at fair value through profit or loss	Other financial assets at fair value through profit or loss	Total
Securities	201,491	2,021	7,326	210,838	181,079	2,898	7,530	191,507
Loans and repurchase agreements	294,331		2,244	296,575	247,507		2,301	249,808
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	**495,822**	**2,021**	**9,570**	**507,413**	**428,586**	**2,898**	**9,831**	**441,315**
Securities	128,819			128,819	112,338			112,338
Deposits and repurchase agreements	333,587	1,812		335,399	291,577	1,879		293,456
Issued debt securities (note 4.g)		67,058		67,058		70,383		70,383
of which subordinated debt		*803*		*803*		*947*		*947*
of which non subordinated debt		*60,152*		*60,152*		*62,334*		*62,334*
of which debt representative of shares of consolidated funds held by third parties		*6,103*		*6,103*		*7,102*		*7,102*
FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS	**462,406**	**68,870**		**531,276**	**403,915**	**72,262**		**476,177**

Detail of these assets and liabilities is provided in note 4.c.

- **Financial liabilities designated as at fair value through profit or loss**

Financial liabilities at fair value through profit or loss mainly consist of issued debt securities, originated and structured on behalf of customers, where the risk exposure is managed in combination with the hedging strategy. These types of issued debt securities contain significant embedded derivatives, which changes in value may be compensated by changes in the value of economic hedging derivatives.

The redemption value of debt issued and designated as at fair value through profit or loss at 30 June 2022 was EUR 68,508 million (EUR 59,958 million at 31 December 2021).

- **Other financial assets measured at fair value through profit or loss**

Other financial assets at fair value through profit or loss are financial assets not held for trading:

- Debt instruments that do not meet the criteria defined by IFRS 9 to be classified as financial instruments at "fair value through equity" or at "amortised cost":
  - Their business model is not to "collect contractual cash flows" nor "collect contractual cash flows and sell the instruments"; and/or
  - Their cash flows are not solely repayments of principal and interest on the principal amount outstanding.
- Equity instruments that the Group did not choose to classify as at "fair value through equity".

DERIVATIVE FINANCIAL INSTRUMENTS

The majority of derivative financial instruments held for trading are related to transactions initiated for trading purposes. They may result from market-making or arbitrage activities. BNP Paribas actively trades in derivatives. Transactions include trades in "ordinary" instruments such as credit default swaps, and structured transactions with complex risk profiles tailored to meet the needs of its customers. The net position is in all cases subject to limits.

Some derivative instruments are also contracted to hedge financial assets or financial liabilities for which the Group has not documented a hedging relationship, or which do not qualify for hedge accounting under IFRS.

In millions of euros	30 June 2022		31 December 2021	
	Positive market value	Negative market value	Positive market value	Negative market value
Interest rate derivatives	158,770	130,303	119,219	107,490
Foreign exchange derivatives	132,535	121,356	75,314	75,694
Credit derivatives	8,624	8,686	8,371	8,451
Equity derivatives	28,709	32,684	24,217	35,071
Other derivatives	25,432	22,431	13,302	10,691
Derivative financial instruments	**354,070**	**315,460**	**240,423**	**237,397**

The table below shows the total notional amount of trading derivatives. The notional amounts of derivative instruments are merely an indication of the volume of the Group's activities in financial instruments markets, and do not reflect the market risks associated with such instruments.

In millions of euros	30 June 2022				31 December 2021			
	Exchange-traded	Over-the-counter, cleared through central clearing houses	Over-the-counter	Total	Exchange-traded	Over-the-counter, cleared through central clearing houses	Over-the-counter	Total
Interest rate derivatives	1,961,041	13,992,010	5,302,902	21,255,953	1,319,006	9,761,179	4,846,327	15,926,512
Foreign exchange derivatives	48,893	130,493	8,010,646	8,190,032	56,415	133,330	6,873,623	7,063,368
Credit derivatives		474,665	606,257	1,080,922		392,338	545,919	938,257
Equity derivatives	934,353		516,939	1,451,292	799,005		506,164	1,305,169
Other derivatives	174,271		117,466	291,737	107,162		92,077	199,239
Derivative financial instruments	**3,118,558**	**14,597,168**	**14,554,210**	**32,269,936**	**2,281,588**	**10,286,847**	**12,864,110**	**25,432,545**

In the framework of its *Client Clearing* activity, the Group guarantees the risk of default of its clients to central counterparties. The corresponding notional amount is EUR 1,413 billion at 30 June 2022 (EUR 1,050 billion at 31 December 2021).

4.b FINANCIAL ASSETS AT FAIR VALUE THROUGH EQUITY

In millions of euros	30 June 2022		31 December 2021	
	Fair value	of which changes in value recognised directly to equity	Fair value	of which changes in value recognised directly to equity
Debt securities	**38,385**	**(669)**	**38,906**	**(1)**
Governments	22,038	(228)	19,980	117
Other public administrations	10,281	(117)	13,000	51
Credit institutions	3,956	(300)	4,138	(169)
Others	2,110	(24)	1,788	-
Equity securities	**2,285**	**688**	**2,558**	**933**
Total financial assets at fair value	**40,670**	**19**	**41,464**	**932**

Debt securities at fair value through equity include EUR 110 million classified as stage 3 at 30 June 2022 (EUR 105 million at 31 December 2021). For these securities, the credit impairment recognised in the profit and loss account has been charged to the negative changes in value recognised in equity for EUR 100 million at 30 June 2022 (EUR 104 million at the previous year).

The option to recognise certain equity instruments at fair value through equity was retained in particular for shares held through strategic partnerships and shares that the Group is required to hold in order to carry out certain activities.

During the first half of 2022, the Group sold one of these investments and an unrealised gain of EUR 215 million was transferred to “retained earnings” (EUR 12 million at 31 December 2021).

4.c MEASUREMENT OF THE FAIR VALUE OF FINANCIAL INSTRUMENTS

VALUATION PROCESS

BNP Paribas has retained the fundamental principle that it should have a unique and integrated processing chain for producing and controlling the valuations of financial instruments that are used for the purpose of daily risk management and financial reporting. All these processes are based on a common economic valuation which is a core component of business decisions and risk management strategies.

Economic value is composed of mid-market value, to which add valuation adjustments.

Mid-market value is derived from external data or valuation techniques that maximise the use of observable and market-based data. Mid-market value is a theoretical additive value which does not take account of i) the direction of the transaction or its impact on the existing risks in the portfolio, ii) the nature of the counterparties, and iii) the aversion of a market participant to particular risks inherent in the instrument, the market in which it is traded, or the risk management strategy.

Valuation adjustments take into account valuation uncertainty and include market and credit risk premiums to reflect costs that could be incurred in case of an exit transaction in the principal market.

Fair value generally equals the economic value, subject to limited adjustments, such as own credit adjustments, which are specifically required by IFRS standards.

The main valuation adjustments are presented in the section below.

VALUATION ADJUSTMENTS

Valuation adjustments retained by BNP Paribas for determining fair values are as follows:

Bid/offer adjustments: the bid/offer range reflects the additional exit cost for a price taker and symmetrically the compensation sought by dealers to bear the risk of holding the position or closing it out by accepting another dealer's price.

BNP Paribas assumes that the best estimate of an exit price is the bid or offer price, unless there is evidence that another point in the bid/offer range would provide a more representative exit price.

Input uncertainty adjustments: when the observation of prices or data inputs required by valuation techniques is difficult or irregular, an uncertainty exists on the exit price. There are several ways to gauge the degree of uncertainty on the exit price such as measuring the dispersion of the available price indications or estimating the possible ranges of the inputs to a valuation technique.

Model uncertainty adjustments: these relate to situations where valuation uncertainty is due to the valuation technique used, even though observable inputs might be available. This situation arises when the risks inherent in the instruments are different from those available in the observable data, and therefore the valuation technique involves assumptions that cannot be easily corroborated.

Future Hedging Costs adjustments (FHC): this adjustment applies to positions classified in Level 3 that require dynamic hedging throughout their lifetime leading to additional bid/offer costs. Calculation methods capture these expected costs in particular based on the optimal hedging frequency.

Credit valuation adjustment (CVA): the CVA adjustment applies to valuations and market quotations whereby the credit worthiness of the counterparty is not reflected. It aims to account for the possibility that the counterparty may default and that BNP Paribas may not receive the full fair value of the transactions.

In determining the cost of exiting or transferring counterparty risk exposures, the relevant market is deemed to be an inter-dealer market. However, the determination of CVA remains judgemental due to i) the possible absence or lack of price discovery in the inter-dealer market, ii) the influence of the regulatory landscape relating to counterparty risk on the market participants' pricing behaviour and iii) the absence of a dominant business model for managing counterparty risk.

The CVA model is grounded on the same exposures as those used for regulatory purposes. The model attempts to estimate the cost of an optimal risk management strategy based on i) implicit incentives and constraints inherent in the regulations in force and their evolutions, ii) market perception of the probability of default and iii) default parameters used for regulatory purposes.

Funding valuation adjustment (FVA): when valuation techniques are used for the purpose of deriving fair value, funding assumptions related to the future expected cash flows are an integral part of the mid-market valuation, notably through the use of appropriate discount rates. These assumptions reflect what the Bank anticipates as being the effective funding conditions of the instrument that a market participant would consider. This notably takes into account the existence and terms of any collateral agreement. In particular, for non- or imperfectly collateralised derivative instruments, they include an explicit adjustment to the interbank interest rate.

Own-credit valuation adjustment for debts (OCA) and for derivatives (debit valuation adjustment - DVA): OCA and DVA are adjustments reflecting the effect of credit worthiness of BNP Paribas, on respectively the value of debt securities designated as at fair value through profit or loss and derivatives. Both adjustments are based on the expected future liability profiles of such instruments. The own credit worthiness is inferred from the market-based observation of the relevant bond issuance levels. The DVA adjustment is determined after taking into account the Funding Valuation Adjustment (FVA).

Thus, the carrying value of debt securities designated as at fair value though profit or loss is decreased by EUR 234 million at 30 June 2022, compared with an increase in value of EUR 359 million at 31 December 2021, i.e. a - EUR 593 million variation recognised directly in equity that will not be reclassified to profit or loss.

INSTRUMENT CLASSES AND CLASSIFICATION WITHIN THE FAIR VALUE HIERARCHY FOR ASSETS AND LIABILITIES MEASURED AT FAIR VALUE

As explained in the summary of significant accounting policies (note 1.e.10), financial instruments measured at fair value are categorised into a fair value hierarchy consisting of three levels.

In millions of euros	30 June 2022											
	Financial instruments held for trading				Instruments at fair value through profit or loss not held for trading				Financial assets at fair value through equity			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Securities	**173,470**	**26,979**	**1,042**	**201,491**	**2,502**	**1,390**	**5,455**	**9,347**	**33,847**	**5,773**	**1,050**	**40,670**
Governments	98,818	10,105	1	108,924				-	19,449	2,589		22,038
Other debt securities	23,387	15,942	960	40,289	1,991	346	431	2,768	12,907	2,971	468	16,346
Equities and other equity securities	51,265	932	81	52,278	511	1,044	5,024	6,579	1,491	213	582	2,286
Loans and repurchase agreements	**-**	**293,649**	**682**	**294,331**	**-**	**1,201**	**1,043**	**2,244**	**-**	**-**	**-**	**-**
Loans		6,688	28	6,716		1,201	1,043	2,244				
Repurchase agreements		286,961	654	287,615				-				
FINANCIAL ASSETS AT FAIR VALUE	**173,470**	**320,628**	**1,724**	**495,822**	**2,502**	**2,591**	**6,498**	**11,591**	**33,847**	**5,773**	**1,050**	**40,670**
Securities	**126,670**	**1,877**	**272**	**128,819**	**-**	**-**	**-**	**-**				
Governments	81,116	58	1	81,175				-				
Other debt securities	16,966	1,793	259	19,018				-				
Equities and other equity securities	28,588	26	12	28,626				-				
Borrowings and repurchase agreements	**-**	**332,286**	**1,301**	**333,587**	**-**	**1,577**	**235**	**1,812**				
Borrowings		3,348		3,348		1,577	235	1,812				
Repurchase agreements		328,938	1,301	330,239				-				
Issued debt securities *(note 4.g)*	**-**	**-**	**-**	**-**	**2,664**	**47,960**	**16,434**	**67,058**				
Subordinated debt *(note 4.g)*				-		803		803				
Non subordinated debt (note 4.g)				-	8	43,710	16,434	60,152				
Debt representative of shares of consolidated funds held by third parties				-	2,656	3,447		6,103				
FINANCIAL LIABILITIES AT FAIR VALUE	**126,670**	**334,163**	**1,573**	**462,406**	**2,664**	**49,537**	**16,669**	**68,870**				

In millions of euros	31 December 2021											
	Financial instruments held for trading				Instruments at fair value through profit or loss not held for trading				Financial assets at fair value through equity			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Securities	**152,215**	**28,234**	**630**	**181,079**	**3,520**	**1,865**	**5,043**	**10,428**	**33,356**	**6,987**	**1,121**	**41,464**
Governments	82,556	10,962	36	93,554				-	16,263	3,717		19,980
Other debt securities	20,921	15,697	404	37,022	2,867	696	404	3,967	15,551	3,057	318	18,926
Equities and other equity securities	48,738	1,575	190	50,503	653	1,169	4,639	6,461	1,542	213	803	2,558
Loans and repurchase agreements	**-**	**246,895**	**612**	**247,507**	**-**	**1,398**	**903**	**2,301**	**-**	**-**	**-**	**-**
Loans		6,525	13	6,538		1,398	903	2,301				
Repurchase agreements		240,370	599	240,969				-				
FINANCIAL ASSETS AT FAIR VALUE	**152,215**	**275,129**	**1,242**	**428,586**	**3,520**	**3,263**	**5,946**	**12,729**	**33,356**	**6,987**	**1,121**	**41,464**
Securities	**110,117**	**2,064**	**157**	**112,338**	**-**	**-**	**-**	**-**				
Governments	76,019	267		76,286								
Other debt securities	14,382	1,683	117	16,182								
Equities and other equity securities	19,716	114	40	19,870								
Borrowings and repurchase agreements	**-**	**290,659**	**918**	**291,577**	**-**	**1,556**	**323**	**1,879**				
Borrowings		1,758		1,758		1,556	323	1,879				
Repurchase agreements		288,901	918	289,819								
Issued debt securities *(note 4.g)*	**-**	**-**	**-**	**-**	**2,716**	**47,409**	**20,258**	**70,383**				
Subordinated debt *(note 4.g)*						947		947				
Non subordinated debt *(note 4.g)*						42,076	20,258	62,334				
Debt representative of shares of consolidated funds held by third parties					2,716	4,386		7,102				
FINANCIAL LIABILITIES AT FAIR VALUE	**110,117**	**292,723**	**1,075**	**403,915**	**2,716**	**48,965**	**20,581**	**72,262**				

Fair values of derivatives are broken down by dominant risk factor, namely interest rate, foreign exchange, credit and equity. Derivatives used for hedging purposes are mainly interest rate derivatives.

	30 June 2022							
	Positive market value				Negative market value			
In millions of euros	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Interest rate derivatives	863	156,505	1,402	158,770	346	128,432	1,525	130,303
Foreign exchange derivatives	61	131,398	1,076	132,535	54	121,235	67	121,356
Credit derivatives		7,614	1,010	8,624		7,793	893	8,686
Equity derivatives	8,597	15,989	4,123	28,709	10,915	15,990	5,779	32,684
Other derivatives	2,214	23,204	14	25,432	2,660	19,679	92	22,431
Derivative financial instruments not used for hedging purposes	**11,735**	**334,710**	**7,625**	**354,070**	**13,975**	**293,129**	**8,356**	**315,460**
Derivative financial instruments used for hedging purposes	**-**	**15,497**	**-**	**15,497**	**-**	**28,026**	**-**	**28,026**

	31 December 2021							
	Positive market value				Negative market value			
In millions of euros	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Interest rate derivatives	331	117,854	1,034	119,219	318	105,988	1,184	107,490
Foreign exchange derivatives	40	74,827	447	75,314	36	75,388	270	75,694
Credit derivatives		7,532	839	8,371		7,562	889	8,451
Equity derivatives	9,770	12,741	1,706	24,217	12,593	15,795	6,683	35,071
Other derivatives	1,284	11,962	56	13,302	1,179	9,359	153	10,691
Derivative financial instruments not used for hedging purposes	**11,425**	**224,916**	**4,082**	**240,423**	**14,126**	**214,092**	**9,179**	**237,397**
Derivative financial instruments used for hedging purposes	**-**	**8,680**	**-**	**8,680**	**-**	**10,076**	**-**	**10,076**

Transfers between levels may occur when an instrument fulfils the criteria defined, which are generally market and product dependent. The main factors influencing transfers are changes in the observation capabilities, passage of time, and events during the transaction lifetime. The timing of recognising transfers is determined at the beginning of the reporting period.

During the first half of 2022, transfers between Level 1 and Level 2 were not significant.

DESCRIPTION OF MAIN INSTRUMENTS IN EACH LEVEL

The following section provides a description of the instruments in each level in the hierarchy. It describes notably instruments classified in Level 3 and the associated valuation methodologies.
For main trading book instruments and derivatives classified in Level 3, further quantitative information is provided about the inputs used to derive fair value.

Level 1

This level encompasses all derivatives and securities that are listed on exchanges or quoted continuously in other active markets.

Level 1 includes notably equity securities and liquid bonds, shortselling of these instruments, derivative instruments traded on organised markets (futures, options, *etc*.). It includes shares of funds and UCITS, for which the net asset value is calculated on a daily basis, as well as debt representative of shares of consolidated funds held by third parties.

Level 2

The Level 2 stock of securities is composed of securities which are less liquid than the Level 1 bonds. They are predominantly corporate debt securities, government bonds, mortgage backed securities, fund shares and short-term securities such as certificates of deposit. They are classified in Level 2 notably when external prices for the same security can be regularly observed from a reasonable number of market makers that are active in this security, but these prices do not represent directly tradable prices. This comprises amongst other, consensus pricing services with a reasonable number of contributors that are active market makers as well as indicative runs from active brokers and/or dealers. Other sources such as primary issuance market, may also be used where relevant.

Repurchase agreements are classified predominantly in Level 2. The classification is primarily based on the observability and liquidity of the repo market, depending on the underlying collateral and the maturity of the repo transaction.

Debts issued designated as at fair value through profit and loss, are classified in the same level as the one that would apply to the embedded derivative taken individually. The issuance spread is considered observable.

Derivatives classified in Level 2 comprise mainly the following instruments:

- vanilla instruments such as interest rate swaps, caps, floors and swaptions, credit default swaps, equity/foreign exchange (FX)/commodities forwards and options;
- structured derivatives for which model uncertainty is not significant such as exotic FX options, mono- and multi-underlying equity/funds derivatives, single curve exotic interest rate derivatives and derivatives based on structured rates.

The above derivatives are classified in Level 2 when there is a documented stream of evidence supporting one of the following:

- fair value is predominantly derived from prices or quotations of other Level 1 and Level 2 instruments, through standard market interpolation or stripping techniques whose results are regularly corroborated by real transactions;
- fair value is derived from other standard techniques such as replication or discounted cash flows that are calibrated to observable prices, that bear limited model risk and enable an effective offset of the risks of the instrument through trading Level 1 or Level 2 instruments;
- fair value is derived from more sophisticated or proprietary valuation techniques but is directly evidenced through regular back-testing using external market-based data.

Determining whether an over-the-counter (OTC) derivative is eligible for Level 2 classification involves judgement. Consideration is given to the origin, transparency and reliability of external data used, and the amount of uncertainty associated with the use of models. It follows that the Level 2 classification criteria involve multiple analysis axis within an “observability zone” whose limits are determined by i) a predetermined list of product categories and ii) the underlying and maturity bands. These criteria are regularly reviewed and updated, together with the applicable valuation adjustments, so that the classification by level remains consistent with the valuation adjustment policy.

Level 3

Level 3 securities of the trading book mainly comprise units of funds and unlisted equity shares measured at fair value through profit or loss or through equity.

Unlisted private equities are systematically classified as Level 3, with the exception of UCITS with a daily net asset value which are classified in the Level 1 of the fair value hierarchy.

Shares and other unlisted variable income securities in Level 3 are valued using one of the following methods: a share of revalued net book value, multiples of comparable companies, future cash flows method, multi-criteria approach.

Repurchase agreements*: *mainly long-term or structured repurchase agreements on corporate bonds and ABSs: The valuation of these transactions requires proprietary methodologies given the bespoke nature of the transactions and the lack of activity and price discovery in the long-term repo market. The curves used in the valuation are corroborated using available data such as the implied basis of the relevant benchmark bond pool, recent long-term repo trade data and price enquiry data. Valuation adjustments applicable to these exposures are commensurate with the degree of uncertainty inherent in the modelling choices and amount of data available.

Debts issued designated as at fair value through profit or loss, are classified in the same level as the one that would apply to the embedded derivative taken individually. The issuance spread is considered observable.

Derivatives

Vanilla derivatives are classified in Level 3 when the exposure is beyond the observation zone for rate curves or volatility surfaces, or relates to less liquid markets such as tranches on old credit index series or emerging markets interest rates markets. The main instruments are:

- ***Interest rate derivatives***: exposures mainly comprise swap products in less liquid currencies. Classification is driven by the lower liquidity of some maturities, while observation capabilities through consensus may be available. The valuation technique is standard, and uses external market information and extrapolation techniques.
- ***Credit derivatives (CDS)***: exposures mainly comprise CDSs beyond the maximum observable maturity and, to a much lesser extent, CDSs on illiquid or distressed names and CDSs on loan indices. Classification is driven by the lack of liquidity while observation capabilities may be available notably through consensus. Level 3 exposures also comprise CDS and Total Return Swaps (TRS) positions on securitised assets. These are priced along the same modelling techniques as the underlying bonds, taking into consideration the funding basis and specific risk premium.
- ***Equity derivatives***: exposures essentially comprise long dated forward or volatility products or exposures where there is a limited market for optional products. The marking of the forward curves and volatility surfaces beyond the maximum observable maturity relies on extrapolation techniques. However, when there is no market for model input, volatility or forward is generally determined on the basis of proxy or historical analysis.

  Similarly, long-term transactions on equity baskets are also classified in Level 3, based on the absence of equity correlation observability on long maturities.

These vanilla derivatives are subject to valuation adjustments linked to uncertainty on liquidity, specialised by nature of underlying and liquidity bands.

Structured derivatives classified in Level 3 predominantly comprise structured derivatives of which hybrid products (FX/Interest Rates hybrids, Equity hybrids), credit correlation products, prepayment-sensitive products, some stock basket optional products and some interest rate optional instruments. The main exposures are described below, with insight into the related valuation techniques and on the source of uncertainty:

0. ***Structured interest rate options*** are classified in Level 3 when they involve currencies where there is not sufficient observation or when they include a quanto feature where the pay-off is measured with a forex forward fixed rate (except for the main currencies). Long term structured derivatives are also classified in Level 3.
1. ***Hybrid FX/Interest rate products*** essentially comprise a specific product family known as Power Reverse Dual Currency (PRDC). When valuation of PRDCs requires sophisticated modelling of joint behaviour of FX and interest rate, and is notably sensitive to the unobservable FX/ interest rate correlations, such products are classified as Level 3. PRDCs valuations are corroborated with recent trade data and consensus data.
2. ***Securitisation swaps*** mainly comprise fixed-rate swaps, cross-currency or basis swaps whose notional is indexed to the prepayment behaviour of some underlying portfolio. The estimation of the maturity profile of securitisation swaps is corroborated by statistical estimates using external historical data.
3. ***Forward volatility options*** are generally products whose pay-off is indexed to the future variability of a rate index such as volatility swaps. These products involve material model risk as it is difficult to infer forward volatility information from the market-traded instruments. The valuation adjustment framework is calibrated to the uncertainty inherent in the product, and to the range of uncertainty from the existing external consensus data.
4. ***Inflation derivatives*** classified in Level 3 mainly comprise swap products on inflation indices that are not associated with a liquid indexed bond market, optional products on inflation indices (such as caps and floors) and other forms of inflation indices involving optionality on the inflation indices or on the inflation annual rate. Valuation techniques used for inflation derivatives are predominantly standard market models. Proxy techniques are used for a few limited exposures. Although the valuations are corroborated through monthly consensus data, these products are classified as Level 3 due to their lack of liquidity and some uncertainties inherent in the calibration.
5. The valuation of ***bespoke CDOs*** requires correlation of default events. This information is inferred from the active index tranche market through a proprietary projection technique and involves proprietary extrapolation and interpolation techniques. Multi-geography CDOs further require an additional correlation assumption. Finally, the bespoke CDO model also involves proprietary assumptions and parameters related to the dynamic of the recovery factor. CDO modelling, is calibrated on the observable index tranche markets, and is regularly back-tested against consensus data on standardised pools. The uncertainty arises from the model risk associated with the projection and geography mixing technique, and the uncertainty of associated parameters, together with the recovery modelling.
6. ***N to Default baskets*** are other forms of credit correlation products, modelled through standard copula techniques. The main inputs required are the pair-wise correlations between the basket components which can be observed in the consensus and the transactions. Linear baskets are considered observable.
7. ***Equity and equity-hybrid correlation products*** are instruments whose pay-off is dependent on the joint behaviour of a basket of equities/indices leading to a sensitivity of the fair value measurement to the correlation amongst the basket components. Hybrid versions of these instruments involve baskets that mix equity and non-equity underlyings such as commodity indices, or foreign exchange rates. Only a subset of the Equity/index correlation matrix is regularly observable and traded, while most cross-asset correlations are not active. Therefore, classification in Level 3 depends on the composition of the basket, the maturity, and the hybrid nature of the product. The correlation input is derived from a proprietary model combining historical estimators, and other adjustment factors, that are corroborated by reference to recent trades or external data. The correlation matrix is essentially available from consensus services, and when a correlation between two underlying instruments is not available, it might be obtained from extrapolation or proxy techniques.

These structured derivatives are subject to specific valuation adjustments to cover uncertainties linked to liquidity, parameters and model risk.

Valuation adjustments (CVA, DVA and FVA)

The valuation adjustment for counterparty credit risk (CVA), own-credit risk for derivatives (DVA) and the explicit funding valuation adjustment (FVA) are deemed to be unobservable components of the valuation framework and therefore classified in Level 3. This does not impact, in general cases, the classification of individual transactions into the fair value hierarchy. However, a specific process allows to identify individual deals for which the marginal contribution of these adjustments and related uncertainty is significant and justifies classifying these transactions in Level 3.

The table below provides the range of values of main unobservable inputs for the valuation of Level 3 financial instruments. The ranges displayed correspond to a variety of different underlying instruments and are meaningful only in the context of the valuation technique implemented by BNP Paribas. The weighted averages, where relevant and available, are based on fair values, nominal amounts or sensitivities.

The main unobservable parameters used for the valuation of debt issued in Level 3 are equivalent to those of their economic hedge derivative. Information on those derivatives, displayed in the following table, is also applicable to these debts.

<table>
<tr><th rowspan="2">Risk classes</th><th colspan="2">Balance Sheet valuation (in millions of euros)</th><th rowspan="2">Main product types composing the Level 3 stock within the risk class</th><th rowspan="2">Valuation technique used for the product types considered</th><th rowspan="2">Main unobservable inputs for the product types considered</th><th rowspan="2">Range of unobservable input across Level 3 population considered</th><th rowspan="2">Weighted average</th></tr>
<tr><th>Asset</th><th>Liability</th></tr>
<tr><td>Repurchase agreements</td><td>654</td><td>1,301</td><td>Long-term repo and reverse-repo agreements</td><td>Proxy techniques, based amongst other on the funding basis of a benchmark bond pool, that is actively traded and representative of the repo underlying</td><td>Long-term repo spread on private bonds (High Yield, High Grade) and on ABSs</td><td>0 bp to 119 bp</td><td>17 bp (a)</td></tr>
<tr><td rowspan="6">Interest rate derivatives</td><td rowspan="6">1,402</td><td rowspan="6">1,525</td><td>Hybrid Forex / Interest rates derivatives</td><td>Hybrid Forex interest rate option pricing model</td><td>Correlation between FX rate and interest rates. Main currency pairs are EUR/JPY, USD/JPY, AUD/JPY</td><td>22% to 56%</td><td>23% (a)</td></tr>
<tr><td>Hybrid inflation rates / Interest rates derivatives</td><td>Hybrid inflation interest rate option pricing model</td><td>Correlation between interest rates and inflation rates mainly in Europe.</td><td>-2% to 15%</td><td>4%</td></tr>
<tr><td rowspan="2">Floors and caps on inflation rate or on the cumulative inflation (such as redemption floors), predominantly on European and French inflation</td><td rowspan="2">Inflation pricing model</td><td>Volatility of cumulative inflation</td><td>0.8% to 11.7%</td><td rowspan="2">(b)</td></tr>
<tr><td>Volatility of the year on year inflation rate</td><td>0.3% to 3.2%</td></tr>
<tr><td>Forward Volatility products such as volatility swaps, mainly in euro</td><td>Interest rates option pricing model</td><td>Forward volatility of interest rates</td><td>0.5% to 1.1%</td><td>(b)</td></tr>
<tr><td>Balance-guaranteed fixed rate, basis or cross currency swaps, predominantly on European collateral pools</td><td>Prepayment modelling
Discounted cash flows</td><td>Constant prepayment rates</td><td>0% to 35%</td><td>1.1% (a)</td></tr>
<tr><td rowspan="5">Credit derivatives</td><td rowspan="5">1,010</td><td rowspan="5">893</td><td rowspan="2">Collateralised Debt Obligations and index tranches for inactive index series</td><td rowspan="2">Base correlation projection technique and recovery modelling</td><td>Base correlation curve for bespoke portfolios</td><td>23% to 85%</td><td>(b)</td></tr>
<tr><td>Recovery rate variance for single name underlyings</td><td>0 to 25 %</td><td>(b)</td></tr>
<tr><td>N-to-default baskets</td><td>Credit default model</td><td>Default correlation</td><td>48% to 84%</td><td>51% (a)</td></tr>
<tr><td rowspan="2">Single name Credit Default Swaps (other than CDS on ABSs and loans indices)</td><td rowspan="2">Stripping, extrapolation and interpolation</td><td>Credit default spreads beyond observation limit (10 years)</td><td>80 bp to 496 bp (1)</td><td>334 bp (c)</td></tr>
<tr><td>Illiquid credit default spread curves (across main tenors)</td><td>4 bp to 514 bp (2)</td><td>95 bp (c)</td></tr>
<tr><td rowspan="2">Equity derivatives</td><td rowspan="2">4,123</td><td rowspan="2">5,779</td><td rowspan="2">Simple and complex derivatives on multi-underlying baskets on stocks</td><td rowspan="2">Various volatility option models</td><td>Unobservable equity volatility</td><td>0% to 122% (3)</td><td>35% (d)</td></tr>
<tr><td>Unobservable equity correlation</td><td>23% to 100%</td><td>72% (c)</td></tr>
</table>

[1] The upper part of the range relates to a significant balance sheet position on an issuer belonging to the European telecommunication sector. The remaining positions relate mainly to sovereign and financial issuers.
[2] The upper bound of the range relates to distribution, consumer and transportation sector issuers that represent an insignificant portion of the balance sheet (CDSs with illiquid underlying instruments).
[3] The upper part of the range relates to 7 equities representing a non-material portion of the balance sheet on options with equity underlying instruments. Including these inputs, the upper bound of the range would be around 201%.
[a] Weights based on relevant risk axis at portfolio level
[b] No weighting, since no explicit sensitivity is attributed to these inputs
[c] Weighting is not based on risks, but on an alternative methodology in relation with the Level 3 instruments (present value or notional)
[d] Simple averaging

TABLE OF MOVEMENTS IN LEVEL 3 FINANCIAL INSTRUMENTS

For Level 3 financial instruments, the following movements occurred during the first half of 2022:

In millions of euros	Financial assets				Financial liabilities		
	Financial instruments at fair value through profit or loss held for trading	Financial instruments at fair value through profit or loss not held for trading	Financial assets at fair value through equity	TOTAL	Financial instruments at fair value through profit or loss held for trading	Financial instruments designated as at fair value through profit or loss	TOTAL
At 31 December 2021	**5,324**	**5,946**	**1,121**	**12,391**	**(10,254)**	**(20,581)**	**(30,835)**
Purchases	1,334	602	126	**2,062**			**-**
Issues				**-**	(2)	(1,917)	**(1,919)**
Sales	(528)	(549)	(220)	**(1,297)**	(44)		**(44)**
Settlements [(1)]	1,015	116	29	**1,160**	(1,740)	5,027	**3,287**
Transfers to Level 3	611	42	22	**675**	(475)	(2,340)	**(2,815)**
Transfers from Level 3	(639)	(28)		**(667)**	1,118	681	**1,799**
Gains (or losses) recognised in profit or loss with respect to transactions expired or terminated during the period	(711)	318	(12)	**(405)**	2,141	4,584	**6,725**
Gains (or losses) recognised in profit or loss with respect to unexpired instruments at the end of the period	2,934	3		**2,937**	(671)	(2,123)	**(2,794)**
Changes in fair value of assets and liabilities recognised directly in equity				**-**			**-**
- Items related to exchange rate movements	9	48	9	**66**	(2)		**(2)**
- Changes in fair value of assets and liabilities recognised in equity			(25)	**(25)**			**-**
At 30 June 2022	**9,349**	**6,498**	**1,050**	**16,897**	**(9,929)**	**(16,669)**	**(26,598)**

(1) For the assets, includes redemptions of principal, interest payments as well as cash inflows and outflows relating to derivatives. For the liabilities, includes principal redemptions, interest payments as well as cash inflows and outflows relating to derivatives the fair value of which is negative.

Transfers out of Level 3 of derivatives at fair value include mainly the update of the observability tenor of certain yield curves, and of market parameters related to repurchase agreements and credit transactions but also the effect of derivatives becoming only or mainly sensitive to observable inputs due to the shortening of their lifetime.

Transfers into Level 3 of instruments at fair value reflect the effect of the regular update of the observability zones.

Transfers have been reflected as if they had taken place at the beginning of the reporting period.

The Level 3 financial instruments may be hedged by other Level 1 and Level 2 instruments, the gains and losses of which are not shown in this table. Consequently, the gains and losses shown in this table are not representative of the gains and losses arising from management of the net risk on all these instruments.

SENSITIVITY OF FAIR VALUE TO REASONABLY POSSIBLE CHANGES IN LEVEL 3 ASSUMPTIONS

The following table summarises those financial assets and financial liabilities classified as Level 3 for which alternative assumptions in one or more of the unobservable inputs would change fair value significantly.

The amounts disclosed are intended to illustrate the range of possible uncertainty inherent to the judgement applied when estimating Level 3 parameters, or when selecting valuation techniques. These amounts reflect valuation uncertainties that prevail at the measurement date, and even though such uncertainties predominantly derive from the portfolio sensitivities that prevailed at that measurement date, they are not predictive or indicative of future movements in fair value, nor do they represent the effect of market stress on the portfolio value.

In estimating sensitivities, BNP Paribas either remeasured the financial instruments using reasonably possible inputs, or applied assumptions based on the valuation adjustment policy.

For the sake of simplicity, the sensitivity on cash instruments that are not relating to securitised instruments was based on a uniform 1% shift in the price. More specific shifts were however calibrated for each class of the Level 3 securitised exposures, based on the possible ranges of the unobservable inputs.

For derivative exposures, the sensitivity measurement is based on the credit valuation adjustment (CVA), the explicit funding valuation adjustment (FVA) and the parameter and model uncertainty adjustments related to Level 3.

Regarding the credit valuation adjustment (CVA) and the explicit funding valuation adjustment (FVA), the uncertainty was calibrated based on prudent valuation adjustments described in the technical standard "Prudent Valuation" published by the European Banking Authority. For other valuation adjustments, two scenarios were considered: a favourable scenario where all or portion of the valuation adjustment is not considered by market participants, and an unfavourable scenario where market participants would require twice the amount of valuation adjustments considered by BNP Paribas for entering into a transaction.

In millions of euros	30 June 2022		31 December 2021	
	Potential impact on income	Potential impact on equity	Potential impact on income	Potential impact on equity
Debt securities	+/-10	+/-5	+/-7	+/-3
Equities and other equity securities	+/-51	+/-6	+/-48	+/-8
Loans and repurchase agreements	+/-16		+/-12	
Derivative financial instruments	+/-636		+/-588	
Interest rate and foreign exchange derivatives	*+/-290*		*+/-322*	
Credit derivatives	*+/-55*		*+/-35*	
Equity derivatives	*+/-281*		*+/-227*	
Other derivatives	*+/-10*		*+/-4*	
Sensitivity of Level 3 financial instruments	**+/-713**	**+/-11**	**+/-655**	**+/-11**

DEFERRED MARGIN ON FINANCIAL INSTRUMENTS MEASURED USING TECHNIQUES DEVELOPED INTERNALLY AND BASED ON INPUTS PARTLY UNOBSERVABLE IN ACTIVE MARKETS

Deferred margin on financial instruments ("Day One Profit") primarily concerns the scope of financial instruments eligible for Level 3 and to a lesser extent some financial instruments eligible for Level 2 where valuation adjustments for uncertainties regarding parameters or models are not negligible compared to the initial margin.

The Day One Profit is calculated after setting aside valuation adjustments for uncertainties as described previously and released to profit or loss over the expected period for which the inputs will be unobservable. The unamortised amount is included under "Financial instruments at fair value through profit or loss" as a reduction in the fair value of the relevant transactions.

In millions of euros	Deferred margin at 31 December 2021	Deferred margin on transactions during the period	Margin taken to the profit and loss account during the period	Deferred margin at 30 June 2022
Interest rate and foreign exchange derivatives	204	72	(67)	209
Credit derivatives	164	59	(30)	193
Equity derivatives	401	258	(196)	463
Other instruments	9	12	(13)	8
Financial instruments	**778**	**401**	**(306)**	**873**

4.d FINANCIAL ASSETS AT AMORTISED COST

- **Detail of loans and advances by nature**

In millions of euros	30 June 2022			31 December 2021		
	Gross value	Impairment (note 2.h)	Carrying amount	Gross value	Impairment (note 2.h)	Carrying amount
Loans and advances to credit institutions	**37,458**	**(117)**	**37,341**	**21,844**	**(93)**	**21,751**
On demand accounts	11,782	(12)	11,770	9,009	(8)	9,001
Loans[1]	21,048	(105)	20,943	10,635	(85)	10,550
Repurchase agreements	4,628		4,628	2,200		2,200
Loans and advances to customers	**874,520**	**(19,476)**	**855,044**	**833,935**	**(19,935)**	**814,000**
On demand accounts	54,858	(3,059)	51,799	52,488	(3,157)	49,331
Loans to customers	777,750	(15,296)	762,454	740,080	(15,658)	724,422
Finance leases	41,712	(1,121)	40,591	41,026	(1,120)	39,906
Repurchase agreements	200		200	341		341
Total loans and advances at amortised cost	**911,978**	**(19,593)**	**892,385**	**855,779**	**(20,028)**	**835,751**

(1) Loans and advances to credit institutions include term deposits made with central banks.

- **Detail of debt securities by type of issuer**

In millions of euros	30 June 2022			31 December 2021		
	Gross value	Impairment (note 2.h)	Carrying amount	Gross value	Impairment (note 2.h)	Carrying amount
Governments	65,847	(22)	65,825	57,221	(20)	57,201
Other public administration	16,958	(2)	16,956	17,317	(2)	17,315
Credit institutions	10,027	(2)	10,025	10,593	(2)	10,591
Others	26,442	(66)	26,376	23,547	(144)	23,403
Total debt securities at amortised cost	**119,274**	**(92)**	**119,182**	**108,678**	**(168)**	**108,510**

- **Detail of financial assets at amortised cost by stage**

In millions of euros	30 June 2022 Gross Value	30 June 2022 Impairment (note 2.h)	30 June 2022 Carrying amount	31 December 2021 Gross Value	31 December 2021 Impairment (note 2.h)	31 December 2021 Carrying amount
Loans and advances to credit institutions	**37,458**	**(117)**	**37,341**	**21,844**	**(93)**	**21,751**
Stage 1	36,693	(16)	36,677	21,516	(13)	21,503
Stage 2	659	(7)	652	242	(2)	240
Stage 3	106	(94)	12	86	(78)	8
Loans and advances to customers	**874,520**	**(19,476)**	**855,044**	**833,935**	**(19,935)**	**814,000**
Stage 1	736,830	(1,840)	734,990	701,259	(1,834)	699,425
Stage 2	111,158	(3,057)	108,101	104,857	(2,687)	102,170
Stage 3	26,532	(14,579)	11,953	27,819	(15,414)	12,405
Debt securities	**119,274**	**(92)**	**119,182**	**108,678**	**(168)**	**108,510**
Stage 1	118,657	(19)	118,638	108,006	(20)	107,986
Stage 2	448	(27)	421	412	(25)	387
Stage 3	169	(46)	123	260	(123)	137
Total financial assets at amortised cost	**1,031,252**	**(19,685)**	**1,011,567**	**964,457**	**(20,196)**	**944,261**

4.e IMPAIRED FINANCIAL ASSETS (STAGE 3)

The following tables present the carrying amounts of impaired financial assets carried at amortised cost and of impaired financing and guarantee commitments, as well as related collateral and other guarantees.
The amounts shown for collateral and other guarantees correspond to the lower of the value of the collateral or other guarantee and the value of the secured assets.

In millions of euros	30 June 2022			
	Impaired financial assets (Stage 3)			Collateral and financial guarantees received
	Gross value	Impairment	Net	
Loans and advances to credit institutions (note 4.d)	106	(94)	12	
Loans and advances to customers (note 4.d)	26,532	(14,579)	11,953	7,772
Debt securities at amortised cost (note 4.d)	169	(46)	123	23
Total amortised-cost impaired assets (stage 3)	**26,807**	**(14,719)**	**12,088**	**7,795**
Financing commitments given	1,365	(83)	1,282	457
Guarantee commitments given	815	(243)	572	152
Total off-balance sheet impaired commitments (stage 3)	**2,180**	**(326)**	**1,854**	**609**

In millions of euros	31 December 2021			
	Impaired financial assets (Stage 3)			Collateral and financial guarantees received
	Gross value	Impairment	Net	
Loans and advances to credit institutions (note 4.d)	86	(78)	8	1
Loans and advances to customers (note 4.d)	27,819	(15,414)	12,405	8,068
Debt securities at amortised cost (note 4.d)	260	(123)	137	25
Total amortised-cost impaired assets (stage 3)	**28,165**	**(15,615)**	**12,550**	**8,094**
Financing commitments given	1,088	(89)	999	65
Guarantee commitments given	833	(265)	568	192
Total off-balance sheet impaired commitments (stage 3)	**1,921**	**(354)**	**1,567**	**257**

The following table presents the changes in gross exposures of stage 3 assets (EU CR2):

Gross value In millions of euros	**First half 2022**	**First half 2021**
Impaired exposures (Stage 3) at opening balance	**28,165**	**30,420**
Transfer to stage 3	2,758	3,856
Transfer to stage 1 or stage 2	(935)	(1,347)
Assets written off	(2,307)	(1,786)
Other changes	(874)	(613)
Impaired exposures (Stage 3) at closing balance	**26,807**	**30,530**

4.f FINANCIAL LIABILITIES AT AMORTISED COST DUE TO CREDIT INSTITUTIONS AND CUSTOMERS

In millions of euros	**30 June 2022**	**31 December 2021**
Deposits from credit institutions	**191,742**	**165,699**
On demand accounts	13,560	9,105
Interbank borrowings [1]	152,883	147,635
Repurchase agreements	25,299	8,959
Deposits from customers	**1,008,661**	**957,684**
On demand deposits	650,162	634,784
Savings accounts	164,340	158,932
Term accounts and short-term notes	191,518	163,429
Repurchase agreements	2,641	539

[1] Interbank borrowings from credit institutions include term borrowings from central banks, of which EUR 120.1 billion of TLTRO III at 30 June 2022 and at 31 December 2021.

4.g DEBT SECURITIES AND SUBORDINATED DEBT

This note covers all issued debt securities and subordinated debt measured at amortised cost and designated as at fair value through profit or loss.

- **Debt securities designated at fair value through profit or loss (note 4.a)**

Issuer / Issue date In millions of euros	Currency	Original amount in foreign currency (millions)	Date of call or interest step-up	Interest rate	Interest step-up	Conditions precedent for coupon payment (1)	30 June 2022	31 December 2021
Debt securities							**60,152**	**62,334**
Subordinated debt							**803**	**947**
- Redeemable subordinated debt			(2)				**18**	**41**
- Perpetual subordinated debt							**785**	**906**
BNP Paribas Fortis Dec. 2007(3)	EUR	3,000	Dec.-14	3-month Euribor +200 bp		A	785	906

(1) Conditions precedent for coupon payment:

A Coupon payments are halted should the issuer have insufficient capital or the underwriters become insolvent or when the dividend declared for Ageas shares falls below a certain threshold.

(2) After agreement from the banking supervisory authority and at the issuer's initiative, redeemable subordinated debt issues may contain a call provision authorising the Group to redeem the securities prior to maturity by repurchasing them in the stock market, via public tender offers, or in the case of private placements over the counter. Debt issued by BNP Paribas SA or foreign subsidiaries of the Group via placements in the international markets may be subject to early redemption of the capital and early payment of interest due at maturity at the issuer's discretion on or after a date stipulated in the issue particulars (call option), or in the event that changes in the applicable tax rules oblige the BNP Paribas Group issuer to compensate debt-holders for the consequences of such changes. Redemption may be subject to a notice period of between 15 and 60 days, and is in all cases subject to approval by the banking supervisory authorities.

(3) Convertible And Subordinated Hybrid Equity-linked Securities (CASHES) issued by BNP Paribas Fortis (previously Fortis Banque) in December 2007.
The CASHES are perpetual securities but may be exchanged for Ageas (previously Fortis SA/NV) shares at the holder's sole discretion at a price of EUR 239.40. However, as of 19 December 2014, the CASHES will be automatically exchanged into Ageas shares if their price is equal to or higher than EUR 359.10 for twenty consecutive trading days. The principal amount will never be redeemed in cash. The rights of the CASHES holders are limited to the Ageas shares held by BNP Paribas Fortis and pledged to them.
Ageas and BNP Paribas Fortis have entered into a Relative Performance Note (RPN) contract, the value of which varies contractually so as to offset the impact on BNP Paribas Fortis of the relative difference between changes in the value of the CASHES and changes in the value of the Ageas shares.
Since the 1st of January 2022, the liability is no longer eligible to prudential own funds.

- **Debt securities measured at amortised cost**

Issuer / Issue date In millions of euros	Currency	Original amount in foreign currency (millions)	Date of call or interest step-up	Interest rate	Interest step-up	Conditions precedent for coupon payment [(1)]	30 June 2022	31 December 2021
Debt securities							**162,449**	**149,723**
- Debt securities in issue with an initial maturity of less than one year							**61,186**	**47,293**
Negotiable debt securities							61,186	47,293
- Debt securities in issue with an initial maturity of more than one year							**101,263**	**102,430**
Negotiable debt securities							21,719	27,256
Bonds							79,544	75,174
Subordinated debt							**25,702**	**24,720**
- Redeemable subordinated debt			[(2)]				**23,946**	**23,000**
- Undated subordinated notes							**1,510**	**1,494**
BNP Paribas SA Oct. 85	EUR	305	-	TMO - 0.25%	-	B	254	254
BNP Paribas SA Sept. 86	USD	500	-	6 month-Libor + 0.075%	-	C	261	240
BNP Paribas Cardif Nov. 14	EUR	1,000	Nov. - 25	4.032%	3-month Euribor + 393 bp	D	995	1,000
Others							-	-
- Participating notes							**222**	**222**
BNP Paribas SA July 84 [(3)]	EUR	337	-	[(4)]	-		215	215
Others							7	7
- Expenses and commission, related debt							**24**	**4**

[(1)] Conditions precedent for coupon payment

B Payment of the interest is mandatory, unless the Board of Directors decides to postpone these payments after the Shareholders' General Meeting has officially noted that there is no income available for distribution, where this occurs within the 12-month period preceding the due date for payment of the interest. Interest payments are cumulative and are payable in full once dividend payments resume.

C Payment of the interest is mandatory, unless the Board of Directors decides to postpone these payments after the Shareholders' General Meeting has validated the decision not to pay out a dividend, where this occurs within the 12-month period preceding the due date for payment of the interest. Interest payments are cumulative and are payable in full once dividend payments resume. The bank has the option of resuming payment of interest arrears, even where no dividend is paid out.

D Payment of the interest is mandatory, except for cases of regulatory deficiency, in agreement with the regulator, or of suspension of payments. Interest payments are cumulative and are payable in full, once coupon payments resume, or, if these events occur before, when the issuance is redeemed or when the issuer is liquidated.

[(2)] See reference relating to "Debt securities at fair value through profit or loss".

[(3)] The participating notes issued by BNP Paribas SA may be repurchased as provided for in the law of 3 January 1983. The number of notes in the market is 1,434,092.

[(4)] Depending on net income subject to a minimum of 85% of the TMO rate and a maximum of 130% of the TMO rate.

4.h FINANCIAL INVESTMENTS OF INSURANCE ACTIVITIES

In millions of euros	30 June 2022			31 December 2021		
	Assets not representative of unit-linked insurance contracts	Assets representative of unit-linked insurance contracts *(financial risk supported by policyholders)*	Total	Assets not representative of unit-linked insurance contracts	Assets representative of unit-linked insurance contracts *(financial risk supported by policyholders)*	Total
Financial instruments designated as at fair value through profit or loss	49,321	78,360	127,681	50,940	87,108	138,048
Derivative financial instruments	1,573		1,573	1,033		1,033
Available-for-sale financial assets	109,400		109,400	127,413		127,413
Held-to-maturity financial assets	979		979	981		981
Loans and receivables	3,393		3,393	3,145		3,145
Equity-method investments	348		348	349		349
Investment property	2,885	4,494	7,379	2,875	4,354	7,229
Total	**167,899**	**82,854**	**250,753**	**186,736**	**91,462**	**278,198**
Reinsurers' share of technical reserves	2,410		2,410	2,568		2,568
Financial investments of insurance activities	**170,309**	**82,854**	**253,163**	**189,304**	**91,462**	**280,766**

Investments in financial instruments of insurance activities are accounted for according to IAS 39 principles.

- **Measurement of the fair value of financial instruments**

The criteria for allocating instruments to the levels of the fair value hierarchy, the corresponding valuation methodologies and the principles of transfer between the levels of the hierarchy for insurance investments are similar to those applied for the Group's other financial instruments (note 4.c).

In millions of euros	30 June 2022				31 December 2021			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Available-for-sale financial assets	**96,582**	**12,388**	**430**	**109,400**	**110,750**	**16,196**	**467**	**127,413**
Equity instruments	7,705	1,292	381	9,378	9,767	1,338	367	11,472
Debt securities	88,877	11,096	49	100,022	100,983	14,858	100	115,941
Financial instruments designated as at fair value through profit or loss	**73,905**	**42,400**	**11,376**	**127,681**	**86,497**	**43,486**	**8,065**	**138,048**
Equity instruments	73,163	34,280	11,352	118,795	85,749	34,660	8,037	128,446
Debt securities	742	8,120	24	8,886	748	8,826	28	9,602
Derivative financial instruments	**12**	**1,511**	**50**	**1,573**	**1**	**909**	**123**	**1,033**
Financial assets measured at fair value	**170,499**	**56,299**	**11,856**	**238,654**	**197,248**	**60,591**	**8,655**	**266,494**

Level 1: this level comprises equities and liquid bonds, derivative instruments traded on organised markets (futures, options, *etc.*), units of funds and UCITS for which the net asset value is calculated on a daily basis.

Level 2: this level comprises equities, certain government or corporate bonds, other fund units and UCITS and over-the-counter derivatives.

Level 3: this level consists mainly of fund units and shares which are not quoted on active markets, consisting mainly of units in venture capital companies and funds.

- **Table of movements in Level 3 financial instruments**

For Level 3 financial instruments, the following movements occurred during the period:

In millions of euros	Financial assets		
	Available-for-sale financial instruments	Financial instruments as at fair value through profit or loss	Total
At 31 December 2021	**467**	**8,188**	**8,655**
Purchases	13	1,931	1,944
Sales	(6)	(1,612)	(1,618)
Settlements	(3)	(176)	(179)
Transfers to Level 3	37	2,150	2,187
Transfers from Level 3	(82)	(71)	(153)
Gains recognised in profit or loss	(5)	1,009	1,004
Items related to exchange rate movements		7	7
Changes in fair value of assets and liabilities recognised in equity	9		9
At 30 June 2022	**430**	**11,426**	**11,856**

- **Details of available-for-sale financial assets**

In millions of euros	30 June 2022			31 December 2021		
	Balance sheet value	of which impairment	of which changes in value recognised directly in equity	Balance sheet value	of which impairment	of which changes in value recognised directly in equity
Debt securities	100,021		(5,999)	115,941		9,408
Equity instruments	9,379	(669)	1,574	11,472	(664)	3,257
Total available-for-sale financial assets	**109,400**	**(669)**	**(4,425)**	**127,413**	**(664)**	**12,665**

4.i TECHNICAL RESERVES AND OTHER INSURANCE LIABILITIES

In millions of euros	30 June 2022	31 December 2021
Technical reserves - Non-Life insurance contracts	**4,410**	**4,212**
Technical reserves - Life insurance contracts	**160,250**	**168,910**
- Insurance contracts	87,169	87,325
- Unit-linked contracts	73,081	81,585
Technical liabilities - investment contracts	**51,856**	**50,723**
- Investments contracts with discretionary participation feature	43,242	41,850
- Investment contracts without discretionary participation feature - Unit-linked	8,614	8,873
Policyholders' surplus reserve - liability	**10,545**	**27,011**
Total technical reserves and liabilities related to insurance and investment contracts	**227,061**	**250,856**
Debts arising out of insurance and reinsurance operations	3,025	2,890
Derivative financial instruments	1,693	1,049
Total technical reserves and other insurance liabilities	**231,779**	**254,795**

The policyholders' surplus reserve arises from the application of shadow accounting. It represents the interest of policyholders, within life insurance subsidiaries in France, Luxembourg and Italy, in unrealised gains and losses and impairment losses on assets where the benefit paid under the policy is linked to the return on those assets. It is obtained from stochastic calculations modelling the unrealised gains and losses attributable to policyholders based on economic scenarios and assumptions as regards rates paid to customers and new business inflows.

The Liability Adequacy Test required by IFRS 4 and performed by contract portfolio consists of comparing reserves (net of deferred acquisition costs) with an evaluation of future discounted cash flows.
At 30 June 2022, this test confirms the absence of deficiency for life insurance entities in domestic markets (France, Luxembourg and Italy) at 31 December 2021.
For life insurance entities in Asia, provisions amounted to EUR 1 million at 30 June 2022 (compared with EUR 4 million at 31 December 2021).

4.j CURRENT AND DEFERRED TAXES

In millions of euros	30 June 2022	31 December 2021
Current taxes	1,726	1,862
Deferred taxes	3,783	4,004
Current and deferred tax assets	**5,509**	**5,866**
Current taxes	1,855	1,787
Deferred taxes	1,250	1,316
Current and deferred tax liabilities	**3,105**	**3,103**

4.k ACCRUED INCOME/EXPENSE AND OTHER ASSETS/LIABILITIES

In millions of euros	30 June 2022	31 December 2021
Guarantee deposits and bank guarantees paid	150,339	136,142
Collection accounts	228	242
Accrued income and prepaid expenses	6,810	4,617
Other debtors and miscellaneous assets	54,777	38,122
Total accrued income and other assets	**212,154**	**179,123**
Guarantee deposits received	132,557	101,923
Collection accounts	5,325	2,870
Accrued expense and deferred income	10,229	7,739
Lease liabilities	3,262	3,248
Other creditors and miscellaneous liabilities	47,108	29,619
Total accrued expense and other liabilities	**198,481**	**145,399**

4.I Goodwill

In millions of euros	30 June 2022
Carrying amount at start of period	**5,121**
Acquisitions	151
Divestments	(15)
Impairment recognised during the period	(19)
Exchange rate adjustments	44
Carrying amount at end of period	**5,282**
Gross value	8,398
Accumulated impairment recognised at the end of period	(3,116)

Goodwill by cash-generating unit is as follows:

In millions of euros	Carrying amount		Recognised impairment during the first half of 2022	Acquisitions during the first half of 2022
	30 June 2022	31 December 2021		
Corporate & Institutional Banking	**1,231**	**1,210**		
Corporate Banking	*279*	*276*		
Global Markets	*496*	*478*		
Securities Services	*456*	*456*		
Commercial, Personal Banking & Services	**2,853**	**2,704**	**(19)**	**151**
Arval	*518*	*523*		
Leasing Solutions	*149*	*150*		
Personal Finance	*1,238*	*1,236*	*(19)*	
Personal Investors	*570*	*568*		
New Digital Businesses	*313*	*159*		*154*
Autres	*65*	*68*		*(3)*
Investments & Protection Services	**1,195**	**1,204**	**-**	**-**
Asset Management	*192*	*186*		
Assurance	*281*	*296*		
Real Estate	*404*	*406*		
Wealth Management	*318*	*316*		
Other Activities	**3**	**3**		
Total goodwill	**5,282**	**5,121**	**(19)**	**151**
Negative goodwill			277	
Change in value of goodwill recognised in the profit and loss account			**258**	

4.m PROVISIONS FOR CONTINGENCIES AND CHARGES

- **Provisions for contingencies and charges by type**

In millions of euros	31 December 2021	Net additions to provisions	Provisions used	Changes in value recognised directly in equity	Effect of movements in exchange rates and other movements	30 June 2022
Provisions for employee benefits	6,532	(81)	(512)	(925)	199	5,213
Provisions for home savings accounts and plans	93	(25)				68
Provisions for credit commitments *(note 2.h)*	1,425	(22)	(42)		17	1,378
Provisions for litigations	992	171	(122)		11	1,052
Other provisions for contingencies and charges	1,145	227	(83)		37	1,326
Total provisions for contingencies and charges	**10,187**	**270**	**(759)**	**(925)**	**264**	**9,037**

4.n OFFSETTING OF FINANCIAL ASSETS AND LIABILITIES

The following tables present the amounts of financial assets and liabilities before and after offsetting. This information, required by IFRS 7, aims to enable the comparability with the accounting treatment applicable in accordance with generally accepted accounting principles in the United States (US GAAP), which are less restrictive than IAS 32 as regards offsetting.

"Amounts set off on the balance sheet" have been determined according to IAS 32. Thus, a financial asset and a financial liability are offset and the net amount presented on the balance sheet when, and only when, the Group has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Amounts set off derive mainly from repurchase agreements and derivative instruments traded with clearing houses.

The "impacts of master netting agreements and similar agreements" are relative to outstanding amounts of transactions within an enforceable agreement, which do not meet the offsetting criteria defined by IAS 32. This is the case of transactions for which offsetting can only be performed in case of default, insolvency or bankruptcy of one of the contracting parties.

"Financial instruments given or received as collateral" include guarantee deposits and securities collateral recognised at fair value. These guarantees can only be exercised in case of default, insolvency or bankruptcy of one of the contracting parties.

Regarding master netting agreements, the guarantee deposits received or given in compensation for the positive or negative fair values of financial instruments are recognised in the balance sheet in accrued income or expenses and other assets or liabilities.

In millions of euros, at 30 June 2022	Gross amounts of financial assets	Gross amounts set off on the balance sheet	Net amounts presented on the balance sheet	Impact of Master Netting Agreements (MNA) and similar agreements	Financial instruments received as collateral	Net amounts
Assets						
Financial instruments at fair value through profit or loss						
Securities	210,838		210,838			210,838
Loans and repurchase agreements	450,598	(154,023)	296,575	(43,779)	(230,621)	22,175
Derivative financial instruments (including derivatives used for hedging purposes)	920,089	(550,522)	369,567	(227,095)	(61,336)	81,136
Financial assets at amortised cost	1,011,567		1,011,567	(713)	(3,754)	1,007,100
of which repurchase agreements	*4,828*		*4,828*	*(713)*	*(3,754)*	*361*
Accrued income and other assets	212,154		212,154		(36,632)	175,522
of which guarantee deposits paid	*150,339*		*150,339*		*(36,632)*	*113,707*
Other assets not subject to offsetting	790,306		790,306			790,306
TOTAL ASSETS	**3,595,552**	**(704,545)**	**2,891,007**	**(271,587)**	**(332,343)**	**2,287,077**

In millions of euros, at 30 June 2022	Gross amounts of financial liabilities	Gross amounts set off on the balance sheet	Net amounts presented on the balance sheet	Impact of Master Netting Agreements (MNA) and similar agreements	Financial instruments given as collateral	Net amounts
Liabilities						
Financial instruments at fair value through profit or loss						
Securities	128,819		128,819			128,819
Deposits and repurchase agreements	489,422	(154,023)	335,399	(41,070)	(263,114)	31,215
Issued debt securities	67,057		67,057			67,057
Derivative financial instruments (including derivatives used for hedging purposes)	894,008	(550,522)	343,486	(227,095)	(37,079)	79,312
Financial liabilities at amortised cost	1,200,403		1,200,403	(3,422)	(21,918)	1,175,063
of which repurchase agreements	*27,940*		*27,940*	*(3,422)*	*(21,918)*	*2,600*
Accrued expense and other liabilities	198,481		198,481		(54,979)	143,502
of which guarantee deposits received	*132,557*		*132,557*		*(54,979)*	*77,578*
Other liabilities not subject to offsetting	496,833		496,833			496,833
TOTAL LIABILITIES	**3,475,023**	**(704,545)**	**2,770,478**	**(271,587)**	**(377,090)**	**2,121,801**

In millions of euros, at 31 December 2021	Gross amounts of financial assets	Gross amounts set off on the balance sheet	Net amounts presented on the balance sheet	Impact of Master Netting Agreements (MNA) and similar agreements	Financial instruments received as collateral	Net amounts
Assets						
Financial instruments at fair value through profit or loss						
Securities	191,507		191,507			191,507
Loans and repurchase agreements	398,413	(148,605)	249,808	(34,906)	(194,920)	19,982
Derivative financial instruments (including derivatives used for hedging purposes)	711,002	(461,899)	249,103	(159,997)	(32,435)	56,671
Financial assets at amortised cost	944,261		944,261	(355)	(1,983)	941,923
of which repurchase agreements	*2,541*		*2,541*	*(355)*	*(1,983)*	*203*
Accrued income and other assets	179,123		179,123		(31,945)	147,178
of which guarantee deposits paid	*136,142*		*136,142*		*(31,945)*	*104,197*
Other assets not subject to offsetting	820,642		820,642			820,642
TOTAL ASSETS	**3,244,948**	**(610,504)**	**2,634,444**	**(195,258)**	**(261,283)**	**2,177,903**

In millions of euros, at 31 December 2021	Gross amounts of financial liabilities	Gross amounts set off on the balance sheet	Net amounts presented on the balance sheet	Impact of Master Netting Agreements (MNA) and similar agreements	Financial instruments given as collateral	Net amounts
Liabilities						
Financial instruments at fair value through profit or loss						
Securities	112,338		112,338			112,338
Deposits and repurchase agreements	442,061	(148,605)	293,456	(34,156)	(241,481)	17,819
Issued debt securities	70,383		70,383			70,383
Derivative financial instruments (including derivatives used for hedging purposes)	709,373	(461,899)	247,474	(159,997)	(34,076)	53,401
Financial liabilities at amortised cost	1,123,383		1,123,383	(1,105)	(7,816)	1,114,462
of which repurchase agreements	*9,498*		*9,498*	*(1,105)*	*(7,816)*	*577*
Accrued expense and other liabilities	145,399		145,399		(30,655)	114,744
of which guarantee deposits received	*101,923*		*101,923*		*(30,655)*	*71,268*
Other liabilities not subject to offsetting	519,504		519,504			519,504
TOTAL LIABILITIES	**3,122,441**	**(610,504)**	**2,511,937**	**(195,258)**	**(314,028)**	**2,002,651**

5. FINANCING AND GUARANTEE COMMITMENTS

5.a FINANCING COMMITMENTS GIVEN OR RECEIVED

Contractual value of financing commitments given and received by the Group:

In millions of euros	30 June 2022	31 December 2021
Financing commitments given		
- to credit institutions	**3,681**	**3,501**
- to customers	**387,945**	**362,902**
Confirmed financing commitments	350,678	328,741
Other commitments given to customers	37,267	34,161
Total financing commitments given	**391,626**	**366,403**
of which stage 1	*345,664*	*321,368*
of which stage 2	*21,025*	*22,529*
of which stage 3	*1,365*	*1,088*
of which insurance activities	*1,566*	*1,810*
of which financing commitments given associated with assets held for sale	*22,006*	*19,608*
Financing commitments received		
- from credit institutions	**36,704**	**38,708**
- from customers	**7,544**	**6,729**
Total financing commitments received	**44,248**	**45,437**
of which financing commitments received associated with assets held for sale	*10,649*	*8,711*

5.b GUARANTEE COMMITMENTS GIVEN BY SIGNATURE

In millions of euros	30 June 2022	31 December 2021
Guarantee commitments given		
- to credit institutions	**56,752**	**30,221**
- to customers	**122,609**	**141,074**
Property guarantees	2,743	2,474
Sureties provided to tax and other authorities, other sureties	69,955	64,571
Other guarantees	49,911	74,029
Total guarantee commitments given	**179,361**	**171,295**
of which stage 1	*165,260*	*159,247*
of which stage 2	*13,265*	*10,953*
of which stage 3	*815*	*833*
of which insurance activities	*21*	*262*
of which guarantee commitments given associated with assets held for sale	*-*	*-*

5.c SECURITIES COMMITMENTS

In connection with the settlement date accounting for securities, commitments representing securities to be delivered or securities to be received are the following:

In millions of euros	30 June 2022	31 December 2021
Securities to be delivered	28,738	11,608
Securities to be received	29,233	10,604

6. ADDITIONAL INFORMATION

6.a CHANGES IN SHARE CAPITAL AND EARNINGS PER SHARE

At 30 June 2022, the share capital of BNP Paribas SA amounts to EUR 2,468,663,292 and was divided into 1,234,331,646 shares. The nominal value of each share is EUR 2 (unchanged from 31 December 2021).

- **Ordinary shares issued by BNP Paribas and held by the Group**

	Proprietary transactions		Trading transactions [1]		Total	
	Number of shares	Carrying amount (in millions of euros)	Number of shares	Carrying amount (in millions of euros)	Number of shares	Carrying amount (in millions of euros)
Shares held at 31 December 2020	**721,971**	**38**	**979,314**	**42**	**1,701,285**	**80**
Net movements			(979,314)	(42)	(979,314)	(42)
Shares held at 30 June 2021	**721,971**	**38**			**721,971**	**38**
Acquisitions	15,466,915	900			15,466,915	900
Capital decrease	(15,466,915)	(900)			(15,466,915)	(900)
Shares held at 31 December 2021	**721,971**	**38**			**721,971**	**38**
Net movements			1,285,734	58	1,285,734	58
Shares held at 30 June 2022	**721,971**	**38**	**1,285,734**	**58**	**2,007,705**	**96**

[1] Transactions realised in the framework of an activity of trading and arbitrage transactions on equity indices.

Throughout the fourth quarter of 2021, BNP Paribas SA bought back on the market and cancelled 15,466,915 of its own shares in accordance with the decision made by the Board of Directors on 28 September 2021.

At 30 June 2022, the Group holds 2,007,705 BNP Paribas shares representing an amount of EUR 96 million, which was recognised as a decrease in equity.

- **Preferred shares and Undated Super Subordinated Notes eligible as Tier 1 regulatory capital**

- Preferred shares issued by the Group's foreign subsidiaries

BNP Paribas Personal Finance made in 2004 two issues of undated non-voting preferred shares through a structured entity governed by UK law and which is exclusively controlled.

On 15 April 2021, BNP Paribas Personal Finance redeemed the issues, for an amount of EUR 80 million. These notes paid a TEC 10 rate coupon.

- Undated Super Subordinated Notes issued by BNP Paribas SA

BNP Paribas SA has issued Undated Super Subordinated Notes which pay a fixed, fixed adjustable or floating-rate coupon and are redeemable at the end of a fixed period and thereafter at each coupon date or every five years. If the notes are not redeemed at the end of this period, some of these issues will pay a coupon indexed to Euribor, Libor or a swap rate or a fixed-rate coupon.

On 19 February 2021, BNP Paribas SA issued Undated Super Subordinated Notes for an amount of USD 1,250 million which pay a 4.625% fixed-rate coupon. These notes could be redeemed at the end of a period of 10 years. If the notes are not redeemed in 2031, a US 5-year Constant Maturity Treasury rate coupon will be paid half-yearly. This issue is eligible to Additional Tier 1 capital.

On 8 March 2021, BNP Paribas SA redeemed the June 2007 issue, for an amount of USD 600 million. These notes paid a 6.5% fixed-rate coupon.

On 30 March 2021, BNP Paribas SA redeemed the March 2016 issue, for an amount of USD 1,500 million, before the first call date. These notes paid a 7.625% fixed-rate coupon.

On 3 January 2022, BNP Paribas SA redeemed the July 2006 issue, for an amount of EUR 150 million. These notes paid a 5.45% fixed-rate coupon.

On 12 January 2022, BNP Paribas SA issued Undated Super Subordinated Notes for an amount of USD 1,250 million which pay a 4.625% fixed-rate coupon. These notes could be redeemed at the end of a period of 5 years. If the notes are not redeemed in 2027, a US 5-year Constant Maturity Treasury rate coupon will be paid half-yearly. This issue is eligible to Additional Tier 1 capital.

On 19 February 2022, BNP Paribas SA redeemed the June 2007 issue, for an amount of USD 1 100 million. These notes paid a 7.195% fixed-rate coupon.

On 14 March 2022, BNP Paribas SA redeemed the December 2016 issue, for an amount of USD 750 million. These notes paid a 6.75% fixed-rate coupon.

On 17 June 2022, BNP Paribas SA redeemed the June 2015 issue, for an amount of EUR 750 million, at the first call date. These notes paid a 6.125% fixed-rate coupon.

- The following table summarises the characteristics of these various issues:

Date of issue	Currency	Amount (in millions of currency units)	Coupon payment date	Rate and term before 1st call date		Rate after 1st call date
August 2015	USD	1,500	semi-annual	7.375%	10 years	USD 5-year swap + 5.150%
November 2017	USD	750	semi-annual	5.125%	10 years	USD 5-year swap +2.838%
August 2018	USD	750	semi-annual	7.000%	10 years	USD 5-year swap + 3.980%
March 2019	USD	1,500	semi-annual	6.625%	5 years	USD 5-year swap + 4.149%
July 2019	AUD	300	semi-annual	4.500%	5,5 years	AUD 5-year swap + 3.372%
February 2020	USD	1,750	semi-annual	4.500%	10 years	US 5 years CMT + 2.944%
February 2021	USD	1,250	semi-annual	4.625%	10 years	US 5 years CMT + 3.340%
January 2022	USD	1,250	semi-annual	4.625%	5 years	US 5 years CMT + 3.196%
Total at 30 June 2022 in euro-equivalent historical value		**7,853** [(1)]				

[(1)] Net of shares held in treasury by Group entities

BNP Paribas has the option of not paying interest due on these Undated Super Subordinated Notes. Unpaid interest is not carried forward.

For notes issued before 2015, the absence of coupon payment is conditional on the absence of dividend payment on BNP Paribas SA ordinary shares or on Undated Super Subordinated Note equivalents during the previous year. Interest due is payable once dividend payment on BNP Paribas SA ordinary shares resumes.

The contracts relating to these Undated Super Subordinated Notes contain a loss absorption clause. Under the terms of this clause, in the event of insufficient regulatory capital, the nominal value of the notes may be reduced in order to serve as a new basis for the calculation of the related coupons until the capital deficiency is made up and the nominal value of the notes is increased to its original amount.

The proceeds from these issues are recorded in equity under “Capital and retained earnings”. In accordance with IAS 21, issues denominated in foreign currencies are recognised at their historical value based on their translation into euros at the issue date. Interest on the instruments is treated in the same way as dividends.

At 30 June 2022, the BNP Paribas Group held EUR 29 million of Undated Super Subordinated Notes which were deducted from shareholders’ equity.

- **Earnings per share**

Basic earnings per share are calculated by dividing the net income for the period attributable to holders of ordinary shares by the weighted average number of ordinary shares outstanding during the period. The net income attributable to ordinary shareholders is determined by deducting the net income attributable to holders of preferred shares.

Diluted earnings per share correspond to the net income for the period attributable to holders of ordinary shares, divided by the weighted average number of shares outstanding as adjusted for the maximum effect of the conversion of dilutive equity instruments into ordinary shares. In-the-money stock subscription options are taken into account in the diluted earnings per share calculation, as are performance shares granted under the Global Share-based Incentive Plan. Conversion of these instruments would have no effect on the net income figure used in this calculation. All stock option and performance share plans are expired.

	First half 2022	First half 2021 *restated according to IFRS 5*
Net profit used to calculate basic and diluted earnings per ordinary share *(in millions of euros)* [(1)]	**4,979**	**4,444**
Weighted average number of ordinary shares outstanding during the year	**1,232,891,613**	**1,248,309,503**
Effect of potentially dilutive ordinary shares	-	-
Weighted average number of ordinary shares used to calculate diluted earnings per share	**1,232,891,613**	**1,248,309,503**
Basic earnings per share (in euros)	**4.04**	**3.56**
of which continuing activities (in euros)	3.74	3.27
of which discontinued activities (in euros)	0.30	0.29
Diluted earnings per share (in euros)	**4.04**	**3.56**
of which continuing activities (in euros)	3.74	3.27
of which discontinued activities (in euros)	0.30	0.29

(1) The net profit used to calculate basic and diluted earnings per share is the net profit attributable to equity shareholders, adjusted for the remuneration on the Undated Super Subordinated Notes issued by BNP Paribas SA (treated as preferred share equivalents), which for accounting purposes is handled as dividends, as well as the related foreign exchange gain or loss impact recognised directly in shareholders' equity in case of repurchase.

The dividend per share paid in 2022 out of the 2021 net income amounted to EUR 3.67. Dividends per share paid in June and September 2021 out of the 2020 net income amounted to EUR 1.11 and EUR 1.55 respectively, totalling EUR 2.66.

6.b LEGAL PROCEEDINGS AND ARBITRATION

BNP Paribas (the “Bank”) is party as a defendant in various claims, disputes and legal proceedings (including investigations by judicial or supervisory authorities) in a number of jurisdictions arising in the ordinary course of its business, including inter alia in connection with its activities as market counterparty, lender, employer, investor and taxpayer.

The related risks have been assessed by the Bank and are subject, where appropriate, to provisions disclosed in note 4.m “Provisions for liabilities and charges” of the consolidated Financial Statements at June 30, 2022; a provision is recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle an obligation arising from a past event and a reliable estimate can be made of the amount of the obligation.

The main contingent liabilities related to pending legal, governmental, or arbitral proceedings as of June 30, 2022 are described below. The Bank currently considers that none of these proceedings is likely to have a material adverse effect on its financial position or profitability; however, the outcome of legal or governmental proceedings is by definition unpredictable.

The Bank and certain of its subsidiaries are defendants in several actions pending before the United States Bankruptcy Court for the Southern District of New York brought by the Trustee appointed for the liquidation of Bernard L. Madoff Investment Securities LLC (“BLMIS”). These actions, known generally as “clawback claims”, are similar to those brought by the BLMIS Trustee under the U.S. Bankruptcy Code and New York state law against numerous institutions, and seek recovery of approximately USD 1.3 billion allegedly received by BNP Paribas entities from BLMIS or indirectly through BLMIS-related “feeder funds” in which BNP Paribas entities held interests.

As a result of certain decisions of the Bankruptcy Court and the United States District Court between 2016 and 2018, the majority of the BLMIS Trustee’s actions were either dismissed or substantially narrowed. However, those decisions were either reversed or effectively overruled by subsequent decisions of the United States Court of Appeals for the Second Circuit issued on 25 February 2019 and 30 August 2021. As a result, the BLMIS Trustee may seek to re-file certain claims that were previously dismissed. BNP Paribas has substantial and credible defenses to these actions and is defending against them vigorously.

Litigation was brought in Belgium by minority shareholders of the previous Fortis Group against the Société fédérale de Participations et d’Investissement, Ageas and BNP Paribas seeking (amongst other things) damages from BNP Paribas as restitution for part of the BNP Paribas Fortis shares that were contributed to BNP Paribas in 2009, on the ground that the transfer of these shares was null and void. On 29 April 2016, the Brussels Commercial court decided to stay the proceedings until the resolution of the pending Fortis criminal proceeding in Belgium. The criminal proceeding, in which the Public Prosecutor had requested a dismissal, is definitively closed, as the Council Chamber of the Brussels Court of first instance issued on 4 September 2020 a ruling (which since became final) that the charges were time-barred. Certain minority shareholders are continuing the civil proceedings against BNP Paribas and the Société fédérale de Participations et d’Investissement before the Brussels Commercial court; BNP Paribas continues to defend itself vigorously against the allegations of these shareholders.

Like many other financial institutions in the banking, investment, mutual funds and brokerage sectors, the Bank has received or may receive requests for information from, or be subject to investigations by supervisory, governmental or self-regulatory agencies. The Bank responds to such requests, and cooperates with the relevant authorities and regulators and seeks to address and remedy any issues that may arise.

On 26 February 2020, the Paris Criminal Court found BNP Paribas Personal Finance guilty of misleading commercial practice and concealment of this practice. BNP Paribas Personal Finance was ordered to pay a fine of EUR 187,500 and damages and legal fees to the civil plaintiffs. The damages award was of immediate effect. BNP Paribas Personal Finance filed an appeal on the merits on 6 March 2020. It also sought to suspend the immediate effectiveness of the judgment, which the court rejected by decision dated 25 September 2020. BNP Paribas Personal Finance paid to the civil plaintiffs the damages awarded, without prejudice to the pending appeal before the Court of Appeal of Paris and to the civil legal proceedings that are otherwise ongoing.

There are no other legal, governmental or arbitral proceedings (including any such proceedings which are pending or threatened) that could have, or during the last twelve months have had, significant effects on the Bank's financial condition or profitability.

6.c BUSINESS COMBINATIONS AND LOSS OF CONTROL OR SIGNIFICANT INFLUENCE

- **Operations of the first half of 2022**

  - **bpost banque**

On 3 of January 2022, BNP Paribas Fortis purchased the residual 50% stake in bpost banque.

The Group BNP Paribas took therefore exclusive control of this entity and fully consolidated it from the first quarter of 2022.

Consequently, this operation increased the Group’s balance sheet by EUR 12 billion at acquisition date, in particular EUR 11 billion in financial assets at amortised cost and led to the recognition of a badwill of EUR 245 million in the profit and loss account.

  - **Axepta SpA**

On 4 of January 2022, Banca Nazionale del Lavoro sold 80% of its stake of Wordline Merchant Services Italia (ex-Axepta Spa).

The Group BNP Paribas lost exclusive control of this entity but kept a significant influence.

The disposal led to the recognition of a result of EUR 204 million on the line « Net gain on non-current assets ».

The residual stake of 20% was consolidated using the equity method for its remeasured value, including a goodwill of EUR 41 million.

  - **FLOA**

On 31 of January 2022, BNP Paribas purchased 100% stake of FLOA.

The Group BNP Paribas took exclusive control of this entity and fully consolidated it from the first quarter of 2022.

The Group's balance sheet increased by EUR 2 billion at acquisition date, in particular in financial assets at amortised cost.

The goodwill related to this operation was EUR 154 million.

  - **UkrSibbank**

In the context of the conflict in Ukraine, the Group revaluated the nature of control on its subsidiary UkrSibbank and concluded to the loss of exclusive control, and the maintain of a significant influence. This situation led the Group to consolidate the entity using the equity method from 1 March 2022.

The loss of exclusive control involved the recognition of a loss on disposal of - EUR 159 million and the reclassification to the profit and loss account of cumulated changes in assets and liabilities for exchange differences of - EUR 274 million, in « Net gain on non-current assets ».

The Group's balance sheet decreased by EUR 2 billion at loss of exclusive control date, in particular in financial assets at amortised cost.

- **Operations realised in 2021**

  - **Allfunds Group Plc**

At 31 December 2020, BNP Paribas held a stake of 22.5% in Allfunds Plc Ltd, European market leader in fund distribution platforms.

On 23 April 2021, the Group participated in the initial public offering of Allfunds, contributing 6.7% of the capital. This operation generated an overall gain of EUR 300 million before tax.

On 16 September 2021, the Group sold a stake of 2% of Allfunds and retained a significant influence with 13.8% of the capital of AFB Group Plc. This operation generated an overall gain of EUR 144 million before tax.

- **Verner Investissements**

On 13 July 2021, BNP Paribas SA purchased the residual 50% stake in Verner Investissements, the holding company of Exane entities.

The Group BNP Paribas took therefore exclusive control of this entity and fully consolidated it from the second half of 2021.

Consequently, this operation increased the Group's balance sheet by EUR 6 billion at acquisition date, in particular EUR 3.7 billion in financial assets at fair value through profit and loss, and led to the recognition of a badwill of EUR 111 million in the profit and loss account.

Including the remeasurement of the previously held stake through profit or loss, the net impact on net income of the acquisition is - EUR 51 million.

6.d Discontinued activities

On 18 December 2021, BNP Paribas concluded an agreement with BMO Financial Group for the sale of 100% of its retail and commercial banking activities in the United States, operated by the BancWest cash-generating unit, for a total consideration of USD 16.3 billion in cash.

The transaction is expected to formally close during 2022, subject to customary conditions precedent, including approval by the competent authorities. The Group therefore considers that the loss of control within one year is highly probable.

The group of assets covered by the agreement comprises most of the entities of the homogeneous BancWest set (see reference D2 in note 6.g *Scope of consolidation*). BancWest is therefore classified as a discontinued activity (see note 1.i *Assets held for sale and discontinued operations*).

As required by IFRS 5 related to groups of assets and liabilities held for sale, the Group's consolidated financial statements are adapted to present BancWest separately:

- the assets are reclassified on a separate line of the balance sheet "Assets held for sale";
- the liabilities are also reclassified in a separate line "Liabilities associated with assets held for sale";
- amounts accounted for in equity for the revaluation of assets and liabilities are presented separately in the statement of net income and changes in assets and liabilities recognised directly in equity. This presentation is also carried out for the first half of 2021;
- revenues and expenses are reclassified in a separate line "Net income from discontinued activities" in the profit and loss statement. This income includes revenues and expenses from internal transactions with BancWest, provided that, following the sale, the Group will no longer receive these revenues or incur these expenses. This reclassification is also carried out for the first half of 2021;
- The net change in cash and cash equivalents is isolated in the cash flow statement. This is also carried out for the first half of 2021.

- **Net income from discontinued activities**

In millions of euros	First half 2022	First half 2021 *restated according to IFRS 5*
Revenues	**1,309**	**1,241**
Operating Expenses and Dep.	(942)	(787)
Gross Operating Income	**367**	**454**
Cost of Risk	165	(2)
Operating Income	**532**	**452**
Net gain on non-current assets	1	5
Pre-tax Income	**533**	**457**
Corporate income tax	(168)	(89)
Net income from discontinued activities	**365**	**368**

- **Statement of net income and changes in assets and liabilities recognised directly in equity of discontinued activities**

In millions of euros	First half 2022	First half 2021 *restated according to IFRS 5*
Net income from discontinued activities	**365**	**368**
Changes in assets and liabilities recognised directly in equity of discontinued activities	**(209)**	**147**
Items that are or may be reclassified to profit or loss	**(221)**	**135**
- Changes in fair value through profit or loss	194	280
- Changes in fair value of financial assets through equity		
Changes in fair value recognised in equity	*(542)*	*(124)*
Changes in fair value reported in profit or loss	*(17)*	*(29)*
- Deferred value changes in hedging derivatives		
Changes in fair value recognised in equity	*(191)*	*(43)*
Changes in fair value reported in profit or loss		
- Income taxes	335	51
Items that will not be reclassified to profit or loss	**12**	**12**
- Revaluation effects on post-employment benefit plans	16	18
- Income taxes	(4)	(6)
Total	**156**	**515**

- **Balance sheet of discontinued activities**

In millions of euros	30 June 2022	31 December 2021
Cash and balances at central banks	5,309	14,654
Financial assets at fair value through equity	5,055	5,009
Financial assets at amortised cost	74,099	65,775
Property, plant and equipment	454	428
Intangible assets and goodwill	2,993	2,770
Other assets	2,981	2,631
Total assets held for sale	**90,891**	**91,267**
Financial liabilities at amortised cost	74,726	73,041
Other liabilities	1,778	1,325
Total liabilities associated with assets held for sale	**76,504**	**74,366**

- **Changes in assets and liabilities recognised directly in equity of discontinued activities at 30 June 2022**

In millions of euros	30 June 2022	31 December 2021
Items that are or may be reclassified to profit or loss	**387**	**608**
Exchange differences	881	687
Financial assets at fair value through equity	(315)	(41)
Derivatives used for hedging purposes	(179)	(38)
Items that will not be reclassified to profit or loss	**(113)**	**(125)**
Remeasurement gains (losses)related to postemployment benefit plans	(113)	(125)
Changes in assets and liabilities recognised directly in equity of discontinued activities	**274**	**483**

- **Financial assets at amortised cost classified as "Assets held for sale"**

In millions of euros	30 June 2022 Gross Value	Impairment	Carrying amount
Loans and advances to credit institutions	**174**	**-**	**174**
Stage 1	174	-	174
Loans and advances to customers	**56,328**	**(294)**	**56,034**
Stage 1	52,457	(106)	52,351
Stage 2	3,439	(142)	3,297
Stage 3	432	(46)	386
Debt securities	**17,891**	**-**	**17,891**
Stage 1	17,891	-	17,891
Total financial assets at amortised cost	**74,393**	**(294)**	**74,099**

In millions of euros	31 December 2021 Gross Value	Impairment	Carrying amount
Loans and advances to credit institutions	**52**	**-**	**52**
Stage 1	52	-	52
Loans and advances to customers	**50,530**	**(476)**	**50,054**
Stage 1	45,751	(172)	45,579
Stage 2	4,370	(217)	4,153
Stage 3	409	(87)	322
Debt securities	**15,669**	**-**	**15,669**
Stage 1	15,669	-	15,669
Total financial assets at amortised cost	**66,251**	**(476)**	**65,775**

- **Cash flows from discontinued activities**

In millions of euros	First half 2022	First half 2021 *restated according to IFRS 5*
Net decrease (increase) in cash and cash equivalents generated by operating activities	(9,330)	6,212
Net decrease in cash and cash equivalents related to investing activities	(64)	(47)
Net decrease in cash and cash equivalents related to financing activities	(831)	(381)
Effect of movement in exchange rates on cash and cash equivalents	816	217
Net decrease (increase) in cash and cash equivalents from discontinued activities	**(9,409)**	**6,001**

6.e MINORITY INTERESTS

In millions of euros	Capital and retained earnings	Changes in assets and liabilities recognised directly in equity that will not be reclassified to profit or loss	Changes in assets and liabilities recognised directly in equity that may be reclassified to profit or loss	Minority interests
Balance at 1 January 2021	**4,640**	**9**	**(99)**	**4,550**
Appropriation of net income for 2020	**(221)**			**(221)**
Increases in capital and issues	10			10
Reduction or redemption of capital	(73)			(73)
Movements in consolidation scope impacting minority shareholders	(125)			(125)
Acquisitions of additional interests or partial sales of interests	37			37
Change in commitments to repurchase minority shareholders' interests	66			66
Other movements	12			12
Changes in assets and liabilities recognised directly in equity		6	34	40
Net income for first half of 2021	**176**			**176**
Balance at 30 June 2021	**4,522**	**15**	**(65)**	**4,472**
Movements in consolidation scope impacting minority shareholders	(14)			(14)
Acquisitions of additional interests or partial sales of interests	18			18
Change in commitments to repurchase minority shareholders' interests	(28)			(28)
Other movements	(3)			(3)
Realised gains or losses reclassified to retained earnings	1	(1)		-
Changes in assets and liabilities recognised directly in equity		1	(41)	(40)
Net income for second half of 2021	**216**			**216**
Balance at 31 December 2021	**4,712**	**15**	**(106)**	**4,621**
IAS 29 Impact	**(14)**		**62**	**48**
Balance at 1 January 2022	**4,698**	**15**	**(44)**	**4,669**
Appropriation of net income for 2021	**(122)**			**(122)**
Increases in capital and issues	23			23
Movements in consolidation scope impacting minority shareholders	(136)			(136)
Change in commitments to repurchase minority shareholders' interests	(126)			(126)
Other movements	(1)			(1)
Changes in assets and liabilities recognised directly in equity		14	56	70
Net income for first half of 2022	**207**			**207**
Balance at 30 June 2022	**4,543**	**29**	**12**	**4,584**

- **Main minority interests**

The assessment of the material nature of minority interests is based on the contribution of the relevant subsidiaries to the Group balance sheet (before elimination of intra-group balances and transactions) and to the Group profit and loss account.

In millions of euros	30 June 2022	First half 2022						
	Total assets before elimination of intra-group transactions	Revenues	Net income	Net income and changes in assets and liabilities recognised directly in equity	Minority shareholders' interest (%)	Net income attributable to minority interests	Net income and changes in assets and liabilities recognised directly in equity - attributable to minority interests	Dividends paid to minority shareholders
Contribution of the entities belonging to the BGL BNP Paribas group	**98,007**	**922**	**280**	**44**	**34%**	**84**	**43**	**81**
Other minority interests						**123**	**234**	**41**
TOTAL						**207**	**277**	**122**

In millions of euros	31 December 2021	First half 2021						
	Total assets before elimination of intra-group transactions	Revenues	Net income	Net income and changes in assets and liabilities recognised directly in equity	Minority shareholders' interest (%)	Net income attributable to minority interests	Net income and changes in assets and liabilities recognised directly in equity - attributable to minority interests	Dividends paid to minority shareholders
Contribution of the entities belonging to the BGL BNP Paribas group	**98,967**	**883**	**281**	**273**	**34%**	**79**	**73**	**163**
Other minority interests						**97**	**143**	**58**
TOTAL						**176**	**216**	**221**

There are no particular contractual restrictions on the assets of BGL BNP Paribas related to the presence of the minority shareholder.

- **Internal restructuring that led to a change in minority shareholders' interest in the equity of subsidiaries**

No significant internal restructuring operation occurred during the first half of 2022, nor during the first half of 2021.

- **Acquisitions of additional interests and partial sales of interests leading to changes in minority interests in the equity of subsidiaries**

In millions of euros	First half 2022		First half 2021	
	Attributable to shareholders	Minority interests	Attributable to shareholders	Minority interests
Bank BGZ BNP Paribas				
Partial disposal of 1.26% of the total share, reducing the Group's share to 87.43%			(11)	37
Total	**-**	**-**	**(11)**	**37**

- **Commitments to repurchase minority shareholders' interests**

In connection with the acquisition of certain entities, the Group granted minority shareholders put options on their holdings.
The total value of these commitments, which are recorded as a reduction in shareholders' equity, amounts to EUR 365 million at 30 June 2022, compared with EUR 322 million at 31 December 2021.

6.f FAIR VALUE OF FINANCIAL INSTRUMENTS CARRIED AT AMORTISED COST

The information supplied in this note must be used and interpreted with the greatest caution for the following reasons:

- these fair values are an estimate of the value of the relevant instruments at 30 June 2022. They are liable to fluctuate from day to day as a result of changes in various parameters, such as interest rates and credit quality of the counterparty. In particular, they may differ significantly from the amounts actually received or paid on maturity of the instrument. In most cases, the fair value is not intended to be realised immediately, and in practice might not be realised immediately. Consequently, this fair value does not reflect the actual value of the instrument to BNP Paribas as a going concern;
- most of these fair values are not meaningful, and hence are not taken into account in the management of the commercial banking activities which use these instruments;
- estimating a fair value for financial instruments carried at historical cost often requires the use of modelling techniques, hypotheses and assumptions that may vary from bank to bank. This means that comparisons between the fair values of financial instruments carried at historical cost as disclosed by different banks may not be meaningful;
- the fair values shown below do not include the fair values of finance lease transactions, non-financial instruments such as property, plant and equipment, goodwill and other intangible assets such as the value attributed to demand deposit portfolios or customer relationships. Consequently, these fair values should not be regarded as the actual contribution of the instruments concerned to the overall valuation of the BNP Paribas Group.

In millions of euros, at 30 June 2022	Estimated fair value				Carrying value
	Level 1	Level 2	Level 3	Total	
FINANCIAL ASSETS					
Loans and advances to credit institutions and customers [1]		103,252	740,725	843,977	851,794
Debt securities at amortised cost *(note 4.d)*	94,127	21,261	3,253	118,641	119,182
Assets held for sale	4,384	11,919	55,871	72,174	73,166
FINANCIAL LIABILITIES					
Deposits from credit institutions and customers		1,201,061		1,201,061	1,200,403
Debt securities *(note 4.g)*	65,240	97,340		162,580	162,449
Subordinated debt *(note 4.g)*	17,020	7,770		24,790	25,702
Liabilities associated with assets held for sale		74,735		74,735	74,726

[1] Finance leases excluded

In millions of euros, at 31 December 2021	Estimated fair value				Carrying value
	Level 1	Level 2	Level 3	Total	
FINANCIAL ASSETS					
Loans and advances to credit institutions and customers [1]	-	88,058	716,147	804,205	795,845
Debt securities at amortised cost *(note 4.d)*	89,374	17,203	3,172	109,749	108,510
Assets held for sale	4,587	11,081	49,838	65,507	64,847
FINANCIAL LIABILITIES					
Deposits from credit institutions and customers		1,123,93		1,123,93	1,123,383
Debt securities *(note 4.g)*	64,660	86,854		151,514	149,723
Subordinated debt *(note 4.g)*	18,211	7,360		25,571	24,720
Liabilities associated with assets held for sale		73,077		73,077	73,041

[1] Finance leases excluded

The valuation techniques and assumptions used by BNP Paribas ensure that the fair value of financial assets and liabilities carried at amortised cost is measured on a consistent basis throughout the Group. Fair value is based on prices quoted in an active market when these are available. In other cases, fair value is determined using valuation techniques such as discounting of estimated future cash flows for loans, liabilities and debt securities at amortised cost, or specific valuation models for other financial instruments as described in note 1, *Summary of significant accounting policies applied by the BNP Paribas Group*. The description of the fair value hierarchy levels is also presented in the accounting principles (see note 1.e.10). In the case of loans, liabilities and debt securities at amortised cost that have an initial maturity of less than one year (including demand deposits) or of most regulated savings products, fair value equates to carrying amount. These instruments have been classified in Level 2, except for loans to customers, which are classified in Level 3.

6.g SCOPE OF CONSOLIDATION

BNP Paribas, a *société anonyme* (Public Limited Company), registered in France, is the Group's lead company, which holds key positions in its three operating divisions: Corporate & Institutional Banking (CIB), Commercial, Personal Banking & Services (CPBS) and Investment & Protection Services (IPS).

During the year, the parent company did not change its name. BNP Paribas has its principal place of business in France and its head office is located at 16 boulevard des Italiens 75009 Paris, France.

			30 June 2022				31 December 2021			
Business	Name	Country	Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
	BNP Paribas SA	France	Full[1]				Full[1]			
	BNPP SA (Argentina branch)	Argentina	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Australia branch)	Australia	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Austria branch)	Austria	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Bahrain branch)	Bahrain	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Belgium branch)	Belgium	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Bulgaria branch)	Bulgaria	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Canada branch)	Canada	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Czech republic branch)	Czech Rep.	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Denmark branch)	Denmark	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Finland branch)	Finland	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Germany branch)	Germany	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Hong kong branch)	Hong Kong	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Hungary branch)	Hungary	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (India branch)	India	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Ireland branch)	Ireland	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Italy branch)	Italy	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Japan branch)	Japan	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Jersey branch)	Jersey								S1
	BNPP SA (Kuwait branch)	Kuwait	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Luxembourg branch)	Luxembourg	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Malaysia branch)	Malaysia	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Monaco branch)	Monaco	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Netherlands branch)	Netherlands	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Norway branch)	Norway	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Panama branch)	Panama				S1	Full	100.0%	100.0%	
	BNPP SA (Philippines branch)	Philippines	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Poland branch)	Poland	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Portugal branch)	Portugal	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Qatar branch)	Qatar	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Republic of Korea branch)	Rep. of Korea	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Romania branch)	Romania	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Saudi arabia branch)	Saudi Arabia	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Singapore branch)	Singapore	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (South africa branch)	South Africa	Full	100.0%	100.0%		Full	100.0%	100.0%	

			30 June 2022				31 December 2021			
Business	Name	Country	Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
	BNPP SA (Spain branch)	Spain	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Sweden branch)	Sweden	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Taiwan branch)	Taiwan	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Thailand branch)	Thailand	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (United arab emirates branch)	United Arab Emirates	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (United kingdom branch)	UK	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (United states branch)	USA	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Viet nam branch)	Viet Nam	Full	100.0%	100.0%		Full	100.0%	100.0%	
CORPORATE & INSTITUTIONAL BANKING										
CIB EMEA (Europe, Middle East, Africa)										
France										
	Atargatis[s]	France	Full	-	-		Full	-	-	
	Austin Finance[s]	France	Full	-	-		Full	-	-	
	BNPP Arbitrage	France	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	
	BNPP Securities Services	France	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	
	BNPP Securities Services (Australia branch)	Australia	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	
	BNPP Securities Services (Belgium branch)	Belgium	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	
	BNPP Securities Services (Germany branch)	Germany	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	
	BNPP Securities Services (Greece branch)	Greece	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	
	BNPP Securities Services (Guernsey branch)	Guernsey	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	
	BNPP Securities Services (Hong kong branch)	Hong Kong	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	
	BNPP Securities Services (Hungary branch)	Hungary	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	
	BNPP Securities Services (Ireland branch)	Ireland	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	
	BNPP Securities Services (Italy branch)	Italy	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	
	BNPP Securities Services (Jersey branch)	Jersey	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	
	BNPP Securities Services (Luxembourg branch)	Luxembourg	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	
	BNPP Securities Services (Netherlands branch)	Netherlands	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	
	BNPP Securities Services (Poland branch)	Poland	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	
	BNPP Securities Services (Portugal branch)	Portugal	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	
	BNPP Securities Services (Singapore branch)	Singapore	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	
	BNPP Securities Services (Spain branch)	Spain	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	
	BNPP Securities Services (Switzerland branch)	Switzerland	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	
	BNPP Securities Services (United kingdom branch)	UK	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	
	Compagnie d'Investissement Italiens[s]	France	Full	-	-		Full	-	-	
	Compagnie d'Investissement Opéra[s]	France	Full	-	-		Full	-	-	
	Ellipsis Asset Management	France				S2	Full	100.0%	100.0%	V1/D3
	Eurotitrisation	France	Equity	21.7%	21.7%		Equity	21.7%	21.7%	V3
	Exane	France	Full	100.0%	100.0%		Full	100.0%	100.0%	V1/D3
	Exane (Germany branch)	Germany	Full	100.0%	100.0%		Full	100.0%	100.0%	V1/D3
	Exane (Italy branch)	Italy	Full	100.0%	100.0%		Full	100.0%	100.0%	V1/D3
	Exane (Spain branch)	Spain	Full	100.0%	100.0%		Full	100.0%	100.0%	V1/D3
	Exane (Sweden branch)	Sweden	Full	100.0%	100.0%		Full	100.0%	100.0%	V1/D3
	Exane (Switzerland branch)	Switzerland	Full	100.0%	100.0%		Full	100.0%	100.0%	V1/D3

Business	Name	Country	30 June 2022				31 December 2021			
			Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
	Exane (United kingdom branch)	UK	Full	100.0%	100.0%		Full	100.0%	100.0%	V1/D3
	Exane Asset Management	France	Equity	51.0%	51.0%	V1	Equity	50.0%	50.0%	V1/D3
	Exane Derivatives	France	Full	100.0%	100.0%		Full	100.0%	100.0%	V1/D3
	Exane Derivatives (Italy branch)	Italy	Full	100.0%	100.0%		Full	100.0%	100.0%	V1/D3
	Exane Derivatives (Switzerland branch)	Switzerland	Full	100.0%	100.0%		Full	100.0%	100.0%	V1/D3
	Exane Derivatives (United kingdom branch)	UK	Full	100.0%	100.0%		Full	100.0%	100.0%	V1/D3
	Exane Derivatives Gerance	France	Full	100.0%	100.0%		Full	100.0%	100.0%	V1/D3
	Exane Finance	France	Full	100.0%	100.0%		Full	100.0%	100.0%	V1/D3
	Exane Participations	France	Full	99.0%	99.0%		Full	99.0%	99.0%	V1/D3
	FCT Juice[t]	France	Full	-	-		Full	-	-	
	Financière des Italiens[s]	France	Full	-	-		Full	-	-	
	Financière du Marché Saint Honoré	France	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Financière Paris Haussmann[s]	France	Full	-	-		Full	-	-	
	Financière Taitbout[s]	France	Full	-	-		Full	-	-	
	Mediterranea[s]	France	Full	-	-		Full	-	-	
	Optichamps[s]	France	Full	-	-		Full	-	-	
	Parilease	France	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	
	Participations Opéra[s]	France	Full	-	-		Full	-	-	
	Services Logiciels d'Intégration Boursière	France	Equity(3)	66.6%	66.6%		Equity(3)	66.6%	66.6%	
	SNC Taitbout Participation 3	France	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Société Orbaisienne de Participations	France	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Verner Investissements	France				S4	Full	100.0%	100.0%	V1/D3
	Verner Investissements NewCo1	France				S4	Full	100.0%	100.0%	E3
	Verner Investissements NewCo2	France				S4	Full	100.0%	100.0%	E3
Other European countries										
	Alectra Finance PLC[t]	Ireland								S3
	Allfunds Group Plc	UK	Equity	13.8%	13.7%		Equity	13.8%	13.7%	V2
	Aquarius + Investments PLC[t]	Ireland				S3	Full	-	-	
	Aries Capital DAC[t]	Ireland	Full	-	-		Full	-	-	
	AssetMetrix	Germany	Equity	14.9%	14.9%		Equity	14.9%	14.9%	V4
	Auseter Real Estate Opportunities SARL[t]	Luxembourg				S2	Full	-	-	
	BNP PUK Holding Ltd	UK	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Bank JSC	Russia	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Emissions Und Handels GmbH[t]	Germany	Full	-	-		Full	-	-	
	BNPP Fund Administration Services Ireland Ltd	Ireland	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Invest Holdings BV	Netherlands	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Ireland Unlimited Co	Ireland	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Islamic Issuance BV[t]	Netherlands	Full	-	-		Full	-	-	
	BNPP Issuance BV[t]	Netherlands	Full	-	-		Full	-	-	
	BNPP Net Ltd	UK	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Prime Brokerage International Ltd	Ireland	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Suisse SA	Switzerland	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Suisse SA (Guernsey branch)	Guernsey	Full	100.0%	100.0%		Full	100.0%	100.0%	

			30 June 2022				31 December 2021			
Business	Name	Country	Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
	BNPP Technology LLC	Russia	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Trust Corp UK Ltd	UK	Full	100.0%	100.0%	E1				
	BNPP Vartry Reinsurance DAC	Ireland	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Diamante Re SRL	Italy	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Ejesur SA	Spain	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Ellipsis AM Suisse SARL	Switzerland				S2	Full	100.0%	100.0%	V1/D3
	Exane Solutions Luxembourg SA	Luxembourg	Full	100.0%	100.0%		Full	100.0%	100.0%	V1/D3
	Expo Atlantico EAII Investimentos Imobiliarios SA[s]	Portugal	Full	-	-	E2				
	Expo Indico EIII Investimentos Imobiliarios SA[s]	Portugal	Full	-	-	E2				
	FScholen	Belgium	Equity(3)	50.0%	50.0%		Equity(3)	50.0%	50.0%	
	Greenstars BNPP	Luxembourg	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Kantox Ltd	UK	Equity	9.5%	9.5%		Equity	9.5%	9.5%	V4
	Madison Arbor Ltd[t]	Ireland	Full	-	-		Full	-	-	
	Matchpoint Finance PLC[t]	Ireland	Full	-	-		Full	-	-	
	Ribera Del Loira Arbitrage	Spain	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Securasset SA[t]	Luxembourg	Full	-	-		Full	-	-	E1
	Single Platform Investment Repackaging Entity SA[t]	Luxembourg	Full	-	-		Full	-	-	
	Utexam Logistics Ltd	Ireland	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Utexam Solutions Ltd	Ireland	Full	100.0%	100.0%		Full	100.0%	100.0%	
Middle East										
	BNPP Investment Co KSA	Saudi Arabia	Full	100.0%	100.0%		Full	100.0%	100.0%	
AMERICAS										
	Banco BNPP Brasil SA	Brazil	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Canada Corp	Canada	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Capital Services Inc	USA	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Colombia Corporacion Financiera SA	Colombia	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP EQD Brazil Fund Fundo de Investmento Multimercado[s]	Brazil	Full	-	-		Full	-	-	
	BNPP Financial Services LLC	USA	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP FS LLC	USA	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP IT Solutions Canada Inc	Canada	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Mexico Holding	Mexico	Full	100.0%	100.0%		Full	100.0%	100.0%	E1
	BNPP Mexico SA Institucion de Banca Multiple	Mexico	Full	100.0%	100.0%		Full	100.0%	100.0%	E1
	BNPP Proprietario Fundo de Investimento Multimercado[s]	Brazil	Full	-	-		Full	-	-	
	BNPP RCC Inc	USA	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Securities Corp	USA	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP US Investments Inc	USA	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP US Wholesale Holdings Corp	USA	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP USA Inc	USA	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP VPG Brookline Cre LLC[s]	USA	Full	-	-		Full	-	-	
	BNPP VPG EDMC Holdings LLC[s]	USA	Full	-	-		Full	-	-	
	BNPP VPG Express LLC[s]	USA	Full	-	-		Full	-	-	
	BNPP VPG I LLC[s]	USA	Full	-	-		Full	-	-	
	BNPP VPG II LLC[s]	USA	Full	-	-		Full	-	-	

			30 June 2022				31 December 2021			
Business	Name	Country	Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
	BNPP VPG III LLC[s]	USA	Full	-	-		Full	-	-	
	BNPP VPG Master LLC[s]	USA	Full	-	-		Full	-	-	
	Dale Bakken Partners 2012 LLC	USA	FV	23.8%	23.8%		FV	23.8%	23.8%	
	Decart Re Ltd[s]	Bermuda	Full(2)	-	-		Full(2)	-	-	
	Exane Inc	USA	Full	100.0%	100.0%		Full	100.0%	100.0%	V1/D3
	FSI Holdings Inc	USA	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Starbird Funding Corp[t]	USA	Full	-	-		Full	-	-	
PACIFIC ASIA										
	Bank BNPP Indonesia PT	Indonesia	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Arbitrage Hong Kong Ltd	Hong Kong	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP China Ltd	China	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Finance Hong Kong Ltd	Hong Kong	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Fund Services Australasia Pty Ltd	Australia	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Fund Services Australasia Pty Ltd (New zealand branch)	New Zealand	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Global Securities Operations Private Ltd	India	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP India Holding Private Ltd	India	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP India Solutions Private Ltd	India	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Malaysia Berhad	Malaysia	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Securities Asia Ltd	Hong Kong	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Securities India Private Ltd	India	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Securities Japan Ltd	Japan	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Securities Korea Co Ltd	Rep. of Korea	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Securities Taiwan Co Ltd	Taiwan	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Sekuritas Indonesia PT	Indonesia	Full	100.0%	100.0%	V4	Full	99.0%	99.0%	
	BPP Holdings Pte Ltd	Singapore	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Contour Pte Ltd	Singapore								S2
	Pt Andalan Multi Guna	Indonesia	Full	100.0%	100.0%	D1				
COMMERCIAL, PERSONAL BANKING & SERVICES										
COMMERCIAL, PERSONAL BANKING IN THE EURO ZONE										
Commercial, Personal Banking in France										
	Banque de Wallis et Futuna	France	Full(1)	51.0%	51.0%		Full(1)	51.0%	51.0%	
	BNPP Antilles Guyane	France	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	
	BNPP Développement	France	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Développement Oblig	France	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Factor	France	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	
	BNPP Factor (Spain branch)	Spain	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	
	BNPP Factor Sociedade Financeira de Credito SA	Portugal	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Nouvelle Calédonie	France	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	
	BNPP Réunion	France	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	
	Compagnie pour le Financement des Loisirs	France	Full	100.0%	100.0%	V1/D5	Equity	46.0%	46.0%	
	Copartis	France	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Euro Securities Partners	France	Equity(3)	50.0%	50.0%		Equity(3)	50.0%	50.0%	

			30 June 2022				31 December 2021			
Business	Name	Country	Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
	GIE Ocean	France	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Jivago Holding	France	Full	100.0%	100.0%		Full	100.0%	100.0%	E3
	Partecis	France	Equity(3)	50.0%	50.0%		Equity(3)	50.0%	50.0%	
	Paylib Services	France	Equity	14.3%	14.3%		Equity	14.3%	14.3%	
	Portzamparc	France	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	
	Protection 24	France								S2
	Société Lairoise de Participations	France	Full	100.0%	100.0%		Full	100.0%	100.0%	
BNL banca commerciale										
	Artigiancassa SPA	Italy	Full	73.9%	73.9%		Full	73.9%	73.9%	
	Banca Nazionale Del Lavoro SPA	Italy	Full	100.0%	100.0%		Full	100.0%	100.0%	
	EMF IT 2008 1 SRL[t]	Italy	Full	-	-		Full	-	-	
	Era Uno SRL[t]	Italy	Full	-	-		Full	-	-	E2
	Eutimm SRL	Italy	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Financit SPA	Italy	Full	60.0%	60.0%		Full	60.0%	60.0%	V2
	Immera SRL[t]	Italy	Full	-	-		Full	-	-	E1
	International Factors Italia SPA	Italy	Full	99.7%	99.7%		Full	99.7%	99.7%	
	Permicro SPA	Italy	Equity	21.6%	21.6%		Equity	21.6%	21.6%	
	Serfactoring SPA	Italy								S2
	Servizio Italia SPA	Italy	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Sviluppo HQ Tiburtina SRL	Italy	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Tierre Securitisation SRL[t]	Italy	Full	-	-		Full	-	-	
	Vela Consumer 2 SRL[t]	Italy								S1
	Vela Home SRL[t]	Italy	Full	-	-		Full	-	-	
	Vela Mortgages SRL[t]	Italy				S3	Full	-	-	
	Vela OBG SRL[t]	Italy	Full	-	-		Full	-	-	
	Vela RMBS SRL[t]	Italy	Full	-	-		Full	-	-	
	Worldline Merchant Services Italia SPA (Ex- Axepta SPA)	Italy	Equity	20.0%	20.0%	V2/D6	Full	100.0%	100.0%	
Commercial, Personal Banking in Belgium										
	Axepta BNPP Benelux	Belgium	Full	100.0%	99.9%		Full	100.0%	99.9%	
	Bancontact Paytoniq Company	Belgium	Equity	22.5%	22.5%		Equity	22.5%	22.5%	
	Banking Funding Company SA	Belgium				S3	Equity	33.5%	33.5%	
	BASS Master Issuer NV[t]	Belgium	Full	-	-		Full	-	-	
	Batopin	Belgium	Equity	25.0%	25.0%		Equity	25.0%	25.0%	E1
	Belgian Mobile ID	Belgium	Equity	12.2%	12.2%		Equity	12.2%	12.2%	V3
	BNPP Commercial Finance Ltd	UK	Full	100.0%	99.9%		Full	100.0%	99.9%	
	BNPP Factor AB	Sweden								S1
	BNPP Factor AS	Denmark	Full	100.0%	99.9%		Full	100.0%	99.9%	
	BNPP Factor GmbH	Germany	Full	100.0%	99.9%		Full	100.0%	99.9%	
	BNPP Factor NV	Netherlands								S1
	BNPP Factoring Support	Netherlands	Full	100.0%	99.9%		Full	100.0%	99.9%	
	BNPP Fortis	Belgium	Full	99.9%	99.9%		Full	99.9%	99.9%	
	BNPP Fortis (Spain branch)	Spain	Full	99.9%	99.9%		Full	99.9%	99.9%	
	BNPP Fortis (United states branch)	USA	Full	99.9%	99.9%		Full	99.9%	99.9%	

			30 June 2022				31 December 2021			
Business	Name	Country	Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
	BNPP Fortis Factor NV	Belgium	Full	100.0%	99.9%		Full	100.0%	99.9%	
	BNPP Fortis Film Finance	Belgium	Full	100.0%	99.9%		Full	100.0%	99.9%	V4
	BNPP Fortis Funding SA	Luxembourg	Full	100.0%	99.9%		Full	100.0%	99.9%	
	BNPP FPE Belgium	Belgium	Full	100.0%	99.9%		Full	100.0%	99.9%	
	BNPP FPE Expansion	Belgium	Full	100.0%	99.9%		Full	100.0%	99.9%	
	BNPP FPE Management	Belgium	Full	100.0%	99.9%		Full	100.0%	99.9%	
	Bpost Banque	Belgium	Full	100.0%	99.9%	V1/D7	Equity[(3)]	50.0%	50.0%	
	Credissimo	Belgium	Full	100.0%	99.9%		Full	100.0%	99.9%	
	Credissimo Hainaut SA	Belgium	Full	99.7%	99.7%		Full	99.7%	99.7%	
	Crédit pour Habitations Sociales	Belgium	Full	81.7%	81.6%		Full	81.7%	81.6%	
	Demetris NV	Belgium	Full	100.0%	99.9%	E1				
	Epimede[s]	Belgium	Equity	-	-		Equity	-	-	
	Esmee Master Issuer[t]	Belgium	Full	-	-		Full	-	-	
	Immobilière Sauveniere SA	Belgium	Full	100.0%	99.9%		Full	100.0%	99.9%	
	Isabel SA NV	Belgium	Equity	25.3%	25.3%		Equity	25.3%	25.3%	
	Microstart	Belgium	Full	42.3%	76.8%		Full	42.3%	76.8%	V4
	Private Equity Investments (a)	BE/FR/LU	FV	-	-		FV	-	-	
	Sagip	Belgium	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Sowo Invest SA NV	Belgium	Full	87.5%	87.5%		Full	87.5%	87.5%	
Commercial, Personal Banking in Luxembourg										
	BGL BNPP	Luxembourg	Full	66.0%	65.9%		Full	66.0%	65.9%	
	BGL BNPP (Germany branch)	Germany	Full	66.0%	65.9%		Full	66.0%	65.9%	
	BNPP Lease Group Luxembourg SA	Luxembourg	Full	100.0%	65.9%		Full	100.0%	65.9%	
	BNPP SB Re	Luxembourg	Full[(2)]	100.0%	100.0%		Full[(2)]	100.0%	100.0%	
	Cofhylux SA	Luxembourg	Full	100.0%	65.9%		Full	100.0%	65.9%	
	Compagnie Financière Ottomane SA	Luxembourg	Full	97.3%	97.3%		Full	97.3%	97.3%	
	Le Sphinx Assurances Luxembourg SA	Luxembourg	Full[(2)]	100.0%	100.0%		Full[(2)]	100.0%	100.0%	
	Lion International Investments SA	Luxembourg	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Luxhub SA	Luxembourg	Equity	28.0%	18.5%		Equity	28.0%	18.5%	
	Visalux	Luxembourg	Equity	25.3%	16.7%		Equity	25.3%	16.7%	
COMMERCIAL, PERSONAL BANKING OUTSIDE THE EURO ZONE										
Europe-Mediterranean										
	Bank of Nanjing	China	Equity	16.3%	16.3%	V1	Equity	15.0%	15.0%	V1
	Banque Internationale pour le Commerce et l'Industrie de la Côte d'Ivoire	Ivory Coast	Full	59.8%	59.8%		Full	59.8%	59.8%	
	Banque Internationale pour le Commerce et l'Industrie de la Guinée	Guinea								S2
	Banque Internationale pour le Commerce et l'Industrie du Burkina Faso	Burkina Faso								S2
	Banque Internationale pour le Commerce et l'Industrie du Sénégal	Senegal	Full	54.1%	54.1%		Full	54.1%	54.1%	
	Banque Marocaine pour le Commerce et l'Industrie	Morocco	Full	67.0%	67.0%		Full	67.0%	67.0%	
	Banque Marocaine pour le Commerce et l'Industrie Banque Offshore	Morocco	Full	100.0%	67.0%		Full	100.0%	67.0%	
	Bantas Nakit AS	Turkey	Equity[(3)]	33.3%	16.7%		Equity[(3)]	33.3%	16.7%	
	BDSI	Morocco	Full	100.0%	96.4%		Full	100.0%	96.4%	
	BGZ Poland ABS1 DAC[t]	Ireland	Full	-	-		Full	-	-	

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Business	Name	Country	Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
	BICI Bourse	Ivory Coast	Full	90.0%	52.0%		Full	90.0%	52.0%	V4
	BMCI Leasing	Morocco	Full	86.9%	58.2%		Full	86.9%	58.2%	
	BNPP Bank Polska SA	Poland	Full	87.4%	87.4%		Full	87.4%	87.4%	V3
	BNPP El Djazair	Algeria	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Faktoring Spolka ZOO	Poland	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Fortis Yatirimlar Holding AS	Turkey	Full	100.0%	99.9%		Full	100.0%	99.9%	
	BNPP Group Service Center SA	Poland	Full	100.0%	87.4%	E1				
	BNPP IRB Participations	France	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Solutions Spolka ZOO	Poland				S3	Full	100.0%	87.4%	V3
	BNPP Yatirimlar Holding AS	Turkey	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Dreams Sustainable AB	Sweden	Full	57.5%	57.5%	E3				
	Joint Stock Company Ukrsibbank	Ukraine	Equity	60.0%	60.0%	D1	Full	60.0%	60.0%	
	TEB ARF Teknoloji Anonim Sirketi	Turkey	Full	100.0%	72.5%		Full	100.0%	72.5%	E2
	TEB Faktoring AS	Turkey	Full	100.0%	72.5%		Full	100.0%	72.5%	
	TEB Holding AS	Turkey	Full	50.0%	50.0%		Full	50.0%	50.0%	
	TEB SH A	Serbia	Full	100.0%	50.0%		Full	100.0%	50.0%	
	TEB Yatirim Menkul Degerler AS	Turkey	Full	100.0%	72.5%		Full	100.0%	72.5%	
	Turk Ekonomi Bankasi AS	Turkey	Full	100.0%	72.5%		Full	100.0%	72.5%	
	Union Bancaire pour le Commerce et l'Industrie	Tunisia								S2
BancWest										
	BancWest Holding Inc	USA	Full	100.0%	100.0%		Full	100.0%	100.0%	D2
	BancWest Holding Inc Grantor Trust ERC Subaccount[s]	USA	Full	-	-		Full	-	-	D2
	Bancwest Holding Inc Umbrella Trust[s]	USA	Full	-	-		Full	-	-	D2
	BancWest Investment Services Inc	USA	Full	100.0%	100.0%		Full	100.0%	100.0%	D2
	Bank of the West	USA	Full	100.0%	100.0%		Full	100.0%	100.0%	D2
	Bank of the West Auto Trust 2018-1[t]	USA	Full	-	-		Full	-	-	D2
	Bank of the West Auto Trust 2019-1[t]	USA	Full	-	-		Full	-	-	D2
	Bank of the West Auto Trust 2019-2[t]	USA	Full	-	-		Full	-	-	D2
	BNPP Leasing Solutions Canada Inc	Canada	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BOW Auto Receivables LLC[t]	USA	Full	-	-		Full	-	-	D2
	BWC Opportunity Fund 2 Inc[t]	USA	Full	-	-		Full	-	-	D2
	BWC Opportunity Fund Inc[t]	USA	Full	-	-		Full	-	-	D2
	CFB Community Development Corp	USA	Full	100.0%	100.0%		Full	100.0%	100.0%	D2
	Claas Financial Services LLC	USA	Full	51.0%	51.0%		Full	51.0%	51.0%	D2
	Commercial Federal Affordable Housing Inc	USA	Full	100.0%	100.0%		Full	100.0%	100.0%	D2
	Commercial Federal Community Development Corp	USA								S1
	Commercial Federal Insurance Corp	USA								S1
	Commercial Federal Investment Service Inc	USA								S1
	First Santa Clara Corp[s]	USA	Full	-	-		Full	-	-	D2
	Liberty Leasing Co	USA								S1
	United California Bank Deferred Compensation Plan Trust[s]	USA	Full	-	-		Full	-	-	D2
	Ursus Real Estate Inc	USA	Full	100.0%	100.0%		Full	100.0%	100.0%	D2
SPECIALISED BUSINESSES										

			30 June 2022				31 December 2021			
Business	Name	Country	Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
Personal Finance										
	Alpha Crédit SA	Belgium	Full	100.0%	99.9%		Full	100.0%	99.9%	
	AutoFlorence 1 SRL[t]	Italy	Full	-	-		Full	-	-	
	AutoFlorence 2 SRL[t]	Italy	Full	-	-		Full	-	-	E2
	Autonoria 2019[t]	France	Full	-	-		Full	-	-	
	Autonoria Spain 2019[t]	Spain	Full	-	-		Full	-	-	
	Autonoria Spain 2021 FT[t]	Spain	Full	-	-		Full	-	-	E2
	Autop Ocean Indien	France	Full	100.0%	97.8%		Full	100.0%	97.8%	
	Axa Banque Financement	France	Equity	35.0%	35.0%		Equity	35.0%	35.0%	
	Banco Cetelem SA	Spain	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Banco Cetelem SA	Brazil	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BGN Mercantil E Servicos Ltda	Brazil	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Personal Finance	France	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Personal Finance (Austria branch)	Austria	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Personal Finance (Bulgaria branch)	Bulgaria	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Personal Finance (Czech republic branch)	Czech Rep.	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Personal Finance (Portugal branch)	Portugal	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Personal Finance (Romania branch)	Romania	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Personal Finance (Slovakia branch)	Slovakia	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Personal Finance BV	Netherlands	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Personal Finance South Africa Ltd	South Africa	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Cafineo	France	Full[(1)]	51.0%	50.8%		Full[(1)]	51.0%	50.8%	
	Carrefour Banque	France	Equity	40.0%	40.0%		Equity	40.0%	40.0%	
	Central Europe Technologies SRL	Romania	Full	100.0%	100.0%		Full	100.0%	100.0%	E1
	Cetelem Algérie	Algeria								S1
	Cetelem America Ltda	Brazil	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Cetelem Business Consulting Shanghai Co Ltd	China	Full	100.0%	100.0%	E1				
	Cetelem Gestion AIE	Spain	Full	100.0%	96.0%		Full	100.0%	96.0%	
	Cetelem SA de CV	Mexico	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Cetelem Servicios Informaticos AIE	Spain	Full	100.0%	81.0%		Full	100.0%	81.0%	
	Cetelem Servicios SA de CV	Mexico	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Cetelem Servicos Ltda	Brazil	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Cofica Bail	France	Full[(1)]	100.0%	100.0%		Full[(1)]	100.0%	100.0%	
	Cofinoga Funding Two LP[s]	UK								S1
	Cofiplan	France	Full[(1)]	100.0%	100.0%		Full[(1)]	100.0%	100.0%	
	Creation Consumer Finance Ltd	UK	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Creation Financial Services Ltd	UK	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Crédit Moderne Antilles Guyane	France	Full[(1)]	100.0%	100.0%		Full[(1)]	100.0%	100.0%	
	Crédit Moderne Océan Indien	France	Full[(1)]	97.8%	97.8%		Full[(1)]	97.8%	97.8%	
	Domofinance	France	Full[(1)]	55.0%	55.0%		Full[(1)]	55.0%	55.0%	
	Domos 2017[t]	France				S1	Full	-	-	
	E Carat 10[t]	France	Full	-	-		Full	-	-	
	E Carat 7 PLC[t]	UK								S3

			30 June 2022				31 December 2021			
Business	Name	Country	Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
	E Carat 8 PLC[t]	UK								S3
	E Carat 9 PLC[t]	UK								S3
	E Carat 10 PLC[t]	UK	Full	-	-		Full	-	-	
	E Carat 11 PLC[t]	UK	Full	-	-		Full	-	-	
	E Carat 12 PLC[t]	UK	Full	-	-		Full	-	-	E2
	E Carat SA[t]	Luxembourg								S3
	Ekspres Bank AS	Denmark	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Ekspres Bank AS (Norway branch)	Norway	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Ekspres Bank AS (Sweden branch)	Sweden	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Eos Aremas Belgium SA NV	Belgium	Equity	50.0%	49.9%		Equity	50.0%	49.9%	
	Evollis	France	Equity	41.0%	41.0%		Equity	41.0%	41.0%	E3
	Findomestic Banca SPA	Italy	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Florence Real Estate Developments SPA	Italy	Full	100.0%	100.0%		Full	100.0%	100.0%	E1
	Florence SPV SRL[t]	Italy	Full	-	-		Full	-	-	
	GCC Consumo Establecimiento Financiero de Credito SA	Spain	Full	51.0%	51.0%		Full	51.0%	51.0%	
	Genius Auto Finance Co Ltd	China	Equity[3]	20.0%	20.0%		Equity[3]	20.0%	20.0%	
	International Development Resources AS Services SA	Spain	Full	100.0%	100.0%		Full	100.0%	100.0%	E1
	Iqera Services	France	Equity	24.5%	24.5%		Equity	24.5%	24.5%	
	Loisirs Finance	France	Full[1]	51.0%	51.0%		Full[1]	51.0%	51.0%	
	Magyar Cetelem Bank ZRT	Hungary	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Neuilly Contentieux	France	Full	95.9%	95.6%		Full	95.9%	95.6%	
	Noria 2018-1[t]	France	Full	-	-		Full	-	-	
	NORIA 2020[t]	France	Full	-	-		Full	-	-	
	Noria 2021[t]	France	Full	-	-		Full	-	-	E2
	Noria Spain 2020 FT[t]	Spain	Full	-	-		Full	-	-	
	Olympia SAS	France								S3
	Opel Bank	France	Full	50.0%	50.0%		Full	50.0%	50.0%	
	Opel Bank (Austria branch)	Austria	Full	50.0%	50.0%		Full	50.0%	50.0%	
	Opel Bank (Germany branch)	Germany	Full	50.0%	50.0%		Full	50.0%	50.0%	
	Opel Bank (Greece branch)	Greece								S1
	Opel Bank (Italy branch)	Italy	Full	50.0%	50.0%		Full	50.0%	50.0%	
	Opel Bank (Spain branch)	Spain	Full	50.0%	50.0%		Full	50.0%	50.0%	
	Opel Finance BV	Belgium				S3	Full	100.0%	50.0%	
	Opel Finance NV	Netherlands	Full	100.0%	50.0%		Full	100.0%	50.0%	
	Opel Finance SA	Switzerland	Full	100.0%	50.0%		Full	100.0%	50.0%	
	Personal Finance Location	France	Full	100.0%	100.0%		Full	100.0%	100.0%	E1
	PF Services GmbH	Germany	Full	100.0%	100.0%		Full	100.0%	100.0%	E1
	Phedina Hypotheken 2010 BV[t]	Netherlands	Full	-	-		Full	-	-	
	RCS Botswana Pty Ltd	Botswana	Full	100.0%	100.0%		Full	100.0%	100.0%	
	RCS Cards Pty Ltd	South Africa	Full	100.0%	100.0%		Full	100.0%	100.0%	
	RCS Investment Holdings Namibia Pty Ltd	Namibia	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Securitisation funds UCI and RMBS Prado (b)[t]	Spain	Equity[3]	-	-		Equity[3]	-	-	
	Servicios Financieros Carrefour EFC SA	Spain	Equity	37.3%	40.0%		Equity	37.3%	40.0%	

			30 June 2022				31 December 2021			
Business	**Name**	**Country**	**Method**	**Voting (%)**	**Interest (%)**	**Ref.**	**Method**	**Voting (%)**	**Interest (%)**	**Ref.**
	Solfinéa	France								S3
	Suning Consumer Finance Co Ltd	China	Equity	15.0%	15.0%		Equity	15.0%	15.0%	
	Sygma Fundings Two Ltd	UK								S3
	Symag	France								S2
	TEB Finansman AS	Turkey	Full	100.0%	92.8%		Full	100.0%	92.8%	
	Union de Creditos Inmobiliarios SA	Spain	Equity(3)	50.0%	50.0%		Equity(3)	50.0%	50.0%	
	United Partnership	France	Equity(3)	50.0%	50.0%		Equity(3)	50.0%	50.0%	
	Vauxhall Finance PLC	UK	Full	100.0%	50.0%		Full	100.0%	50.0%	
	XFERA Consumer Finance EFC SA	Spain	Full	51.0%	51.0%		Full	51.0%	51.0%	
	Zhejiang Wisdom Puhua Financial Leasing Co Ltd	China	Equity(3)	20.0%	20.0%		Equity(3)	20.0%	20.0%	E3
Arval										
	Artel	France	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	Arval AB	Sweden	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	Arval AS	Denmark	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	Arval AS Norway	Norway	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	Arval Austria GmbH	Austria	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	Arval Belgium NV SA	Belgium	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	Arval Benelux BV	Netherlands				S4	Full(2)	100.0%	99.9%	
	Arval Brasil Ltda	Brazil	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	Arval BV	Netherlands	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	Arval CZ SRO	Czech Rep.	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	Arval Deutschland GmbH	Germany	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	Arval Fleet Services	France	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	Arval Fuhrparkmanagement GmbH	Austria								S4
	Arval Hellas Car Rental SA	Greece	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	Arval India Private Ltd	India								S3
	Arval LLC	Russia	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	Arval Luxembourg SA	Luxembourg	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	Arval Magyarorszag KFT	Hungary	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	Arval Maroc SA	Morocco	Full(2)	100.0%	89.0%		Full(2)	100.0%	89.0%	
	Arval OY	Finland	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	Arval Relsa SPA	Chile	Equity	50.0%	50.0%		Equity	50.0%	50.0%	
	Arval Schweiz AG	Switzerland	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	Arval Service Lease	France	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	Arval Service Lease Aluger Operational Automoveis SA	Portugal	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	Arval Service Lease Italia SPA	Italy	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	Arval Service Lease Polska SP ZOO	Poland	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	Arval Service Lease Romania SRL	Romania	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	Arval Service Lease SA	Spain	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	Arval Slovakia SRO	Slovakia	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	Arval Trading	France	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	Arval UK Group Ltd	UK	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	Arval UK Leasing Services Ltd	UK	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	

Business	Name	Country	30 June 2022				31 December 2021			
			Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
	Arval UK Ltd	UK	Full[(2)]	100.0%	99.9%		Full[(2)]	100.0%	99.9%	
	BNPP Fleet Holdings Ltd	UK	Full[(2)]	100.0%	99.9%		Full[(2)]	100.0%	99.9%	
	Cent ASL	France	Full[(2)]	100.0%	99.9%		Full[(2)]	100.0%	99.9%	E2
	Cofiparc	France	Full[(2)]	100.0%	99.9%		Full[(2)]	100.0%	99.9%	
	Greenval Insurance DAC	Ireland	Full[(2)]	100.0%	99.9%		Full[(2)]	100.0%	99.9%	
	Locadif	Belgium	Full[(2)]	100.0%	99.9%		Full[(2)]	100.0%	99.9%	
	Louveo	France	Full[(2)]	100.0%	99.9%		Full[(2)]	100.0%	99.9%	
	Public Location Longue Durée	France	Full[(2)]	100.0%	99.9%		Full[(2)]	100.0%	99.9%	
	TEB Arval Arac Filo Kiralama AS	Turkey	Full[(2)]	100.0%	75.0%		Full[(2)]	100.0%	75.0%	
Leasing Solutions										
	All In One Vermietung GmbH	Austria	Full	100.0%	83.0%		Full	100.0%	83.0%	
	Aprolis Finance	France	Full	51.0%	42.3%		Full	51.0%	42.3%	
	Artegy	France	Full	100.0%	83.0%		Full	100.0%	83.0%	
	BNL Leasing SPA	Italy	Full	100.0%	95.5%		Full	100.0%	95.5%	
	BNPP 3 Step IT	France	Full	51.0%	42.3%		Full	51.0%	42.3%	
	BNPP 3 Step IT (Belgium branch)	Belgium	Full	51.0%	42.3%		Full	51.0%	42.3%	
	BNPP 3 Step IT (Germany branch)	Germany	Full	51.0%	42.3%		Full	51.0%	42.3%	
	BNPP 3 Step IT (Italy branch)	Italy	Full	51.0%	42.3%		Full	51.0%	42.3%	
	BNPP 3 Step IT (Netherlands branch)	Netherlands	Full	51.0%	42.3%		Full	51.0%	42.3%	
	BNPP 3 Step IT (United kingdom branch)	UK	Full	51.0%	42.3%		Full	51.0%	42.3%	
	BNPP Finansal Kiralama AS	Turkey	Full	100.0%	82.5%		Full	100.0%	82.5%	
	BNPP Lease Group	France	Full[(1)]	100.0%	83.0%		Full[(1)]	100.0%	83.0%	
	BNPP Lease Group (Germany branch)	Germany	Full[(1)]	100.0%	83.0%		Full[(1)]	100.0%	83.0%	
	BNPP Lease Group (Italy branch)	Italy	Full[(1)]	100.0%	83.0%		Full[(1)]	100.0%	83.0%	
	BNPP Lease Group (Portugal branch)	Portugal	Full[(1)]	100.0%	83.0%		Full[(1)]	100.0%	83.0%	
	BNPP Lease Group (Spain branch)	Spain	Full[(1)]	100.0%	83.0%		Full[(1)]	100.0%	83.0%	
	BNPP Lease Group Belgium	Belgium	Full	100.0%	83.0%		Full	100.0%	83.0%	
	BNPP Lease Group GmbH & Co KG	Austria								S4
	BNPP Lease Group Leasing Solutions SPA	Italy	Full	100.0%	95.5%		Full	100.0%	95.5%	
	BNPP Lease Group PLC	UK	Full	100.0%	83.0%		Full	100.0%	83.0%	
	BNPP Lease Group Rentals Ltd	UK								S1
	BNPP Lease Group SP ZOO	Poland	Full	100.0%	83.0%		Full	100.0%	83.0%	
	BNPP Leasing Services	Poland	Full	100.0%	87.4%		Full	100.0%	87.4%	V3
	BNPP Leasing Solution AS	Norway	Full	100.0%	83.0%		Full	100.0%	83.0%	
	BNPP Leasing Solutions	Luxembourg	Full	100.0%	83.0%		Full	100.0%	83.0%	
	BNPP Leasing Solutions AB	Sweden	Full	100.0%	83.0%		Full	100.0%	83.0%	E1
	BNPP Leasing Solutions AS	Denmark	Full	100.0%	83.0%	E1				
	BNPP Leasing Solutions IFN SA	Romania	Full	100.0%	83.0%		Full	100.0%	83.0%	
	BNPP Leasing Solutions Ltd	UK	Full	100.0%	83.0%		Full	100.0%	83.0%	
	BNPP Leasing Solutions NV	Netherlands	Full	100.0%	83.0%		Full	100.0%	83.0%	
	BNPP Leasing Solutions Suisse SA	Switzerland	Full	100.0%	83.0%		Full	100.0%	83.0%	
	BNPP Rental Solutions Ltd	UK	Full	100.0%	83.0%		Full	100.0%	83.0%	

			30 June 2022				31 December 2021			
Business	Name	Country	Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
	BNPP Rental Solutions SPA	Italy	Full	100.0%	83.0%		Full	100.0%	83.0%	
	Claas Financial Services	France	Full[1]	51.0%	42.3%		Full[1]	51.0%	42.3%	
	Claas Financial Services (Germany branch)	Germany	Full[1]	51.0%	42.3%		Full[1]	51.0%	42.3%	
	Claas Financial Services (Italy branch)	Italy	Full[1]	51.0%	42.3%		Full[1]	51.0%	42.3%	
	Claas Financial Services (Poland branch)	Poland	Full[1]	51.0%	42.3%		Full[1]	51.0%	42.3%	
	Claas Financial Services (Spain branch)	Spain	Full[1]	51.0%	42.3%		Full[1]	51.0%	42.3%	
	Claas Financial Services Ltd	UK	Full	51.0%	42.3%		Full	51.0%	42.3%	
	CNH Industrial Capital Europe	France	Full[1]	50.1%	41.6%		Full[1]	50.1%	41.6%	
	CNH Industrial Capital Europe (Belgium branch)	Belgium	Full[1]	50.1%	41.6%		Full[1]	50.1%	41.6%	
	CNH Industrial Capital Europe (Germany branch)	Germany	Full[1]	50.1%	41.6%		Full[1]	50.1%	41.6%	
	CNH Industrial Capital Europe (Italy branch)	Italy	Full[1]	50.1%	41.6%		Full[1]	50.1%	41.6%	
	CNH Industrial Capital Europe (Poland branch)	Poland	Full[1]	50.1%	41.6%		Full[1]	50.1%	41.6%	
	CNH Industrial Capital Europe (Spain branch)	Spain	Full[1]	50.1%	41.6%		Full[1]	50.1%	41.6%	
	CNH Industrial Capital Europe BV	Netherlands	Full	100.0%	41.6%		Full	100.0%	41.6%	
	CNH Industrial Capital Europe GmbH	Austria	Full	100.0%	41.6%		Full	100.0%	41.6%	
	CNH Industrial Capital Europe Ltd	UK	Full	100.0%	41.6%		Full	100.0%	41.6%	
	ES Finance	Belgium	Full	100.0%	99.9%		Full	100.0%	99.9%	
	FL Zeebrugge[s]	Belgium	Full	-	-		Full	-	-	
	Folea Grundstucksverwaltungs und Vermietungs Gmbh & Co[s]	Germany				S1	Full	-	-	
	Fortis Lease	France	Full[1]	100.0%	83.0%		Full[1]	100.0%	83.0%	
	Fortis Lease Belgium	Belgium	Full	100.0%	83.0%		Full	100.0%	83.0%	
	Fortis Lease Deutschland GmbH	Germany	Full	100.0%	83.0%		Full	100.0%	83.0%	
	Fortis Lease Iberia SA	Spain	Full	100.0%	86.6%		Full	100.0%	86.6%	
	Fortis Lease Portugal	Portugal	Full	100.0%	83.0%		Full	100.0%	83.0%	
	Fortis Lease UK Ltd	UK	Full	100.0%	83.0%		Full	100.0%	83.0%	
	Fortis Vastgoedlease BV	Netherlands	Full	100.0%	83.0%		Full	100.0%	83.0%	
	Heffiq Heftruck Verhuur BV	Netherlands	Full	50.1%	41.5%		Full	50.1%	41.5%	
	JCB Finance	France	Full[1]	100.0%	41.6%		Full[1]	100.0%	41.6%	
	JCB Finance (Germany branch)	Germany	Full[1]	100.0%	41.6%		Full[1]	100.0%	41.6%	
	JCB Finance (Italy branch)	Italy	Full[1]	100.0%	41.6%		Full[1]	100.0%	41.6%	
	JCB Finance Holdings Ltd	UK	Full	50.1%	41.6%		Full	50.1%	41.6%	
	Manitou Finance Ltd	UK	Full	51.0%	42.3%		Full	51.0%	42.3%	
	MGF	France	Full[1]	51.0%	42.3%		Full[1]	51.0%	42.3%	
	MGF (Germany branch)	Germany	Full[1]	51.0%	42.3%		Full[1]	51.0%	42.3%	
	MGF (Italy branch)	Italy	Full[1]	51.0%	42.3%		Full[1]	51.0%	42.3%	
	Natio Energie 2	France	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Natiocredibail	France	Full[1]	100.0%	100.0%		Full[1]	100.0%	100.0%	
	Pixel 2021[t]	France	Full	-	-		Full	-	-	E2
	RD Leasing IFN SA	Romania								S4
	Same Deutz Fahr Finance	France	Full[1]	100.0%	83.0%		Full[1]	100.0%	83.0%	
	SNC Natiocredimurs	France	Full[1]	100.0%	100.0%		Full[1]	100.0%	100.0%	
New Digital Businesses										
	Financière des Paiements Electroniques	France	Full	95.0%	95.0%		Full	95.0%	95.0%	

			30 June 2022				31 December 2021			
Business	Name	Country	Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
	Financière des Paiements Electroniques (Belgium branch)	Belgium	Full	95.0%	95.0%		Full	95.0%	95.0%	E2
	Financière des Paiements Electroniques (Portugal branch)	Portugal	Full	95.0%	95.0%		Full	95.0%	95.0%	E2
	Financière des Paiements Electroniques (Spain branch)	Spain	Full	95.0%	95.0%		Full	95.0%	95.0%	
	Floa	France	Full	100.0%	100.0%	E3				
	Lyf SA	France	Equity(3)	43.8%	43.8%		Equity(3)	43.8%	43.8%	
	Lyf SAS	France	Equity(3)	48.9%	48.9%	V3	Equity(3)	49.1%	49.1%	
Personal Investors										
	Espresso Financial Services Private Limited	India	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Geojit Technologies Private Ltd	India	Equity	35.0%	35.0%		Equity	35.0%	35.0%	
	Human Value Developers Private Ltd	India	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Sharekhan BNPP Financial Services Ltd	India	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Sharekhan Ltd	India	Full	100.0%	100.0%		Full	100.0%	100.0%	
INVESTMENT & PROTECTION SERVICES										
Insurance										
	AEW Immocommercial[s]	France	FV	-	-		FV	-	-	
	AG Insurance	Belgium	Equity	25.0%	25.0%		Equity	25.0%	25.0%	
	Agathe Retail France	France	FV	33.3%	33.3%		FV	33.3%	33.3%	
	Ambrosia Avril 2025[s]	France								S1
	Ambrosia Mars 2026[s]	France								S1
	Astridplaza	Belgium	Full(2)	100.0%	98.5%		Full(2)	100.0%	98.5%	V4
	Batipart Participations SAS	Luxembourg	FV	29.7%	29.7%		FV	29.7%	29.7%	
	Becquerel[s]	France	Full(4)	-	-		Full(4)	-	-	
	BNPP Actions Croissance[s]	France	Full(4)	-	-		Full(4)	-	-	
	BNPP Actions Entrepreneurs[s]	France	Full(4)	-	-		Full(4)	-	-	
	BNPP Actions Euro[s]	France	Full(4)	-	-		Full(4)	-	-	
	BNPP Actions Monde[s]	France	Full(4)	-	-		Full(4)	-	-	
	BNPP Actions PME[s]	France	Full(4)	-	-		Full(4)	-	-	
	BNPP Actions PME ETI[s]	France	Full(4)	-	-		Full(4)	-	-	E1
	BNPP Aqua[s]	France	Full(4)	-	-		Full(4)	-	-	
	BNPP Best Selection Actions Euro[s]	France	Full(4)	-	-		Full(4)	-	-	
	BNPP Cardif	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Cardif BV	Netherlands	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Cardif Compania de Seguros y Reaseguros SA	Peru	Equity *	100.0%	100.0%		Equity *	100.0%	100.0%	
	BNPP Cardif Emeklilik AS	Turkey	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Cardif General Insurance Co Ltd	Rep. of Korea				S2	Equity *	94.5%	94.5%	V4
	BNPP Cardif Hayat Sigorta AS	Turkey	Equity *	100.0%	100.0%		Equity *	100.0%	100.0%	
	BNPP Cardif Levensverzekeringen NV	Netherlands								S4
	BNPP Cardif Livforsakring AB	Sweden	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	D1
	BNPP Cardif Livforsakring AB (Denmark branch)	Denmark	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	D1
	BNPP Cardif Livforsakring AB (Norway branch)	Norway	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	D1
	BNPP Cardif Pojistovna AS	Czech Rep.	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Cardif Schadeverzekeringen NV	Netherlands								S4

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Business	Name	Country	Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
	BNPP Cardif Seguros de Vida SA	Chile	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Cardif Seguros Generales SA	Chile	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Cardif Services SRO	Czech Rep.	Equity *	100.0%	100.0%		Equity *	100.0%	100.0%	
	BNPP Cardif Servicios y Asistencia Ltda	Chile	Equity *	100.0%	100.0%		Equity *	100.0%	100.0%	
	BNPP Cardif Sigorta AS	Turkey	Equity *	100.0%	100.0%		Equity *	100.0%	100.0%	
	BNPP Cardif TCB Life Insurance Co Ltd	Taiwan	Equity	49.0%	49.0%		Equity	49.0%	49.0%	
	BNPP Cardif Vita Compagnia di Assicurazione E Riassicurazione SPA	Italy	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Convictions[s]	France	Full(4)	-	-		Full(4)	-	-	
	BNPP CP Cardif Alternative[s]	France	Full(2)	-	-		Full(2)	-	-	
	BNPP CP Cardif Private Debt[s]	France	Full(4)	-	-		Full(4)	-	-	
	BNPP CP Infrastructure Investments Fund[s]	France	Full(4)	-	-		Full(4)	-	-	
	BNPP Deep Value[s]	France	Full(4)	-	-		Full(4)	-	-	
	BNPP Développement Humain[s]	France	Full(4)	-	-		Full(4)	-	-	
	BNPP Diversipierre[s]	France	Full(2)	-	-		Full(2)	-	-	
	BNPP Europe High Conviction Bond[s]	France								S1
	BNPP France Crédit[s]	France	Full(2)	-	-		Full(2)	-	-	
	BNPP Global Senior Corporate Loans[s]	France	Full(4)	-	-		Full(4)	-	-	
	BNPP Indice Amerique du Nord[s]	France	Full(4)	-	-		Full(4)	-	-	
	BNPP Indice Euro[s]	France								S3
	BNPP Midcap France[s]	France								S3
	BNPP Moderate Focus Italia[s]	France	Full(4)	-	-		Full(4)	-	-	
	BNPP Monétaire Assurance[s]	France	Full(4)	-	-		Full(4)	-	-	
	BNPP Multistratégies Protection 80[s]	France	Full(4)	-	-		Full(4)	-	-	
	BNPP Next Tech[s]	France	Full(4)	-	-		Full(4)	-	-	E1
	BNPP Protection Monde[s]	France	Full(4)	-	-		Full(4)	-	-	
	BNPP Sélection Dynamique Monde[s]	France	Full(4)	-	-		Full(4)	-	-	
	BNPP Sélection Flexible[s]	France	Full(4)	-	-		Full(4)	-	-	
	BNPP Smallcap Euroland[s]	France	Full(4)	-	-		Full(4)	-	-	
	BNPP Social Business France[s]	France	Full(4)	-	-		Full(4)	-	-	
	BOB Cardif Life Insurance Co Ltd	China	Equity	50.0%	50.0%		Equity	50.0%	50.0%	
	C Santé[s]	France	Full(2)	-	-		Full(2)	-	-	
	Camgestion Obliflexible[s]	France	Full(2)	-	-		Full(2)	-	-	
	Capital France Hotel	France	Full(2)	98.5%	98.5%		Full(2)	98.5%	98.5%	V4
	Cardif Alternatives Part I[s]	France	Full(2)	-	-		Full(2)	-	-	
	Cardif Assurance Vie	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurance Vie (Austria branch)	Austria	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurance Vie (Belgium branch)	Belgium	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurance Vie (Bulgaria branch)	Bulgaria	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurance Vie (Germany branch)	Germany	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurance Vie (Italy branch)	Italy	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurance Vie (Netherlands branch)	Netherlands	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurance Vie (Portugal branch)	Portugal	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurance Vie (Romania branch)	Romania	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	

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Business	Name	Country	Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
	Cardif Assurance Vie (Spain branch)	Spain	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurance Vie (Switzerland branch)	Switzerland	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurance Vie (Taiwan branch)	Taiwan	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurances Risques Divers	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurances Risques Divers (Austria branch)	Austria	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurances Risques Divers (Belgium branch)	Belgium	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurances Risques Divers (Bulgaria branch)	Bulgaria	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurances Risques Divers (Germany branch)	Germany	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurances Risques Divers (Italy branch)	Italy	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurances Risques Divers (Netherlands branch)	Netherlands	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurances Risques Divers (Poland branch)	Poland	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurances Risques Divers (Portugal branch)	Portugal	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurances Risques Divers (Romania branch)	Romania	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurances Risques Divers (Spain branch)	Spain	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurances Risques Divers (Switzerland branch)	Switzerland	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurances Risques Divers (Taiwan branch)	Taiwan	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Biztosito Magyarorszag ZRT	Hungary	Equity *	100.0%	100.0%		Equity *	100.0%	100.0%	
	Cardif BNPP AM Emerging Bond(s)	France	Full(2)	-	-		Full(2)	-	-	
	Cardif BNPP AM Global Senior Corporate Loans(s)	France	Full(4)	-	-		Full(4)	-	-	
	Cardif BNPP IP Convertibles World(s)	France	Full(2)	-	-		Full(2)	-	-	
	Cardif BNPP IP Signatures(s)	France	Full(2)	-	-		Full(2)	-	-	
	Cardif BNPP IP Smid Cap Euro(s)	France	Full(2)	-	-		Full(2)	-	-	
	Cardif BNPP IP Smid Cap Europe(s)	France	Full(4)	-	-		Full(4)	-	-	E1
	Cardif Colombia Seguros Generales SA	Colombia	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif CPR Global Return(s)	France	Full(2)	-	-		Full(2)	-	-	
	Cardif do Brasil Seguros e Garantias SA	Brazil	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif do Brasil Vida e Previdencia SA	Brazil	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Edrim Signatures(s)	France	Full(2)	-	-		Full(2)	-	-	
	Cardif El Djazair	Algeria	Equity *	100.0%	100.0%		Equity *	100.0%	100.0%	
	Cardif Forsakring AB	Sweden	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	D1
	Cardif Forsakring AB (Denmark branch)	Denmark	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	D1
	Cardif Forsakring AB (Norway branch)	Norway	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	D1
	Cardif IARD	France	Full(2)	66.0%	66.0%		Full(2)	66.0%	66.0%	
	Cardif Insurance Co LLC	Russia	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Life Insurance Co Ltd	Rep. of Korea	Full(2)	85.0%	85.0%		Full(2)	85.0%	85.0%	
	Cardif Life Insurance Japan	Japan	Full(2)	75.0%	75.0%		Full(2)	75.0%	75.0%	
	Cardif Ltda	Brazil	Equity *	100.0%	100.0%		Equity *	100.0%	100.0%	
	Cardif Lux Vie	Luxembourg	Full(2)	100.0%	88.6%		Full(2)	100.0%	88.6%	
	Cardif Mexico Seguros de Vida SA de CV	Mexico	Equity *	100.0%	100.0%		Equity *	100.0%	100.0%	
	Cardif Mexico Seguros Generales SA de CV	Mexico	Equity *	100.0%	100.0%		Equity *	100.0%	100.0%	
	Cardif Non Life Insurance Japan	Japan	Full(2)	100.0%	75.0%		Full(2)	100.0%	75.0%	
	Cardif Nordic AB	Sweden	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Pinnacle Insurance Holdings PLC	UK	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	

Business	Name	Country	30 June 2022				31 December 2021			
			Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
	Cardif Pinnacle Insurance Management Services PLC	UK				S2	Full(2)	100.0%	100.0%	
	Cardif Polska Towarzystwo Ubezpieczen Na Zycie SA	Poland	Equity *	100.0%	100.0%		Equity *	100.0%	100.0%	
	Cardif Seguros SA	Argentina	Equity *	100.0%	100.0%		Equity *	100.0%	100.0%	D1
	Cardif Services AEIE	Portugal	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Servicios SAC	Peru	Equity *	100.0%	100.0%		Equity *	100.0%	100.0%	
	Cardif Vita Convex Fund Eur[s]	France	Full(2)	-	-		Full(2)	-	-	
	Cardimmo	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cargeas Assicurazioni SPA	Italy								S2
	Carma Grand Horizon SARL	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cedrus Carbon Initiative Trends[s]	France	Full(2)	-	-		Full(2)	-	-	
	Centre Commercial Francilia	France	FV	21.7%	21.7%	E3				
	CFH Algonquin Management Partners France Italia	Italy	Full(2)	100.0%	98.5%		Full(2)	100.0%	98.5%	V4
	CFH Bercy	France	Full(2)	100.0%	98.5%		Full(2)	100.0%	98.5%	V4
	CFH Bercy Hotel	France	Full(2)	100.0%	98.5%		Full(2)	100.0%	98.5%	V4
	CFH Bercy Intermédiaire	France	Full(2)	100.0%	98.5%		Full(2)	100.0%	98.5%	V4
	CFH Berlin Holdco SARL	Luxembourg	Full(2)	100.0%	98.5%		Full(2)	100.0%	98.5%	E2
	CFH Boulogne	France	Full(2)	100.0%	98.5%		Full(2)	100.0%	98.5%	V4
	CFH Cap d'Ail	France	Full(2)	100.0%	98.5%		Full(2)	100.0%	98.5%	V4
	CFH Milan Holdco SRL	Italy	Full(2)	100.0%	98.5%		Full(2)	100.0%	98.5%	V4
	CFH Montmartre	France	Full(2)	100.0%	98.5%		Full(2)	100.0%	98.5%	V4
	CFH Montparnasse	France	Full(2)	100.0%	98.5%		Full(2)	100.0%	98.5%	V4
	Corosa	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Darnell DAC	Ireland	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Défense CB3 SAS	France	FV	25.0%	25.0%		FV	25.0%	25.0%	
	Diversipierre DVP 1	France	Full(2)	100.0%	88.1%	V3	Full(2)	100.0%	88.7%	E1
	Diversipierre Germany GmbH	Germany	Equity *	100.0%	88.1%	V3	Equity *	100.0%	88.7%	E1
	DVP European Channel	France	Equity *	100.0%	88.1%	V3	Equity *	100.0%	88.7%	E1
	DVP Green Clover	France	Equity *	100.0%	88.1%	V3	Equity *	100.0%	88.7%	E1
	DVP Haussmann	France	Equity *	100.0%	88.1%	V3	Equity *	100.0%	88.7%	E1
	DVP Heron	France	Equity *	100.0%	88.1%	V3	Equity *	100.0%	88.7%	E1
	Eclair[s]	France	Full(4)	-	-		Full(4)	-	-	
	Elegia Septembre 2028[s]	France								S1
	EP L[s]	France	Full(2)	-	-		Full(2)	-	-	
	EP1 Grands Moulins[s]	France	Equity *	-	-		Equity *	-	-	
	FDI Poncelet	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Fleur SAS	France	FV	33.3%	33.3%		FV	33.3%	33.3%	
	Foncière Partenaires[s]	France	FV	-	-		FV	-	-	
	Fonds d'Investissements Immobiliers pour le Commerce et la Distribution	France	FV	25.0%	25.0%		FV	25.0%	25.0%	
	FP Cardif Convex Fund USD[s]	France	Full(2)	-	-		Full(2)	-	-	
	Fundamenta[s]	Italy	Full(2)	-	-		Full(2)	-	-	
	G C Thematic Opportunities II[s]	Ireland	Full(2)	-	-		Full(2)	-	-	
	GIE BNPP Cardif	France	Full(2)	99.9%	99.9%		Full(2)	99.9%	99.9%	V2

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Business	Name	Country	Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
	GPinvest 10	France	FV	50.0%	50.0%		FV	50.0%	50.0%	E3
	Harewood Helena 2 Ltd	UK	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Hemisphere Holding	France	Equity	20.0%	20.0%		Equity	20.0%	20.0%	
	Hibernia France	France	Full(2)	100.0%	98.5%		Full(2)	100.0%	98.5%	V4
	High Street Retail	France								S2
	Horizon Development GmbH	Germany	FV	66.7%	62.9%		FV	66.7%	62.9%	V3
	Icare	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Icare Assurance	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	ID Cologne A1 GmbH	Germany	Equity *	79.2%	74.1%		Equity *	79.2%	74.1%	E3
	ID Cologne A2 GmbH	Germany	Equity *	79.2%	74.1%		Equity *	79.2%	74.1%	E3
	Karapass Courtage	France	Equity *	100.0%	100.0%		Equity *	100.0%	100.0%	
	Korian et Partenaires Immobilier 1	France	FV	24.5%	24.5%		FV	24.5%	24.5%	
	Korian et Partenaires Immobilier 2	France	FV	24.5%	24.5%		FV	24.5%	24.5%	
	Luizaseg	Brazil	Equity	50.0%	50.0%		Equity	50.0%	50.0%	
	Natio Assurance	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Natio Fonds Ampère 1[s]	France	Full(4)	-	-		Full(4)	-	-	
	Natio Fonds Athenes Investissement N 5[s]	France	Full(2)	-	-		Full(2)	-	-	
	Natio Fonds Colline International[s]	France	Full(2)	-	-		Full(2)	-	-	
	Natio Fonds Collines Investissement N 1[s]	France	Full(2)	-	-		Full(2)	-	-	
	Natio Fonds Collines Investissement N 3[s]	France	Full(2)	-	-		Full(2)	-	-	
	NCVP Participacoes Societarias SA	Brazil	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	New Alpha Cardif Incubator Fund[s]	France	Full(2)	-	-		Full(2)	-	-	
	OC Health Real Estate GmbH	Germany	FV	35.0%	31.0%		FV	35.0%	31.0%	E3
	Opéra Rendement[s]	France	Full(2)	-	-		Full(2)	-	-	
	Paris Management Consultant Co Ltd	Taiwan	Equity *	100.0%	100.0%		Equity *	100.0%	100.0%	
	Permal Cardif Co Investment Fund[s]	France	Full(2)	-	-		Full(2)	-	-	
	Pinnacle Insurance PLC	UK				S2	Full(2)	100.0%	100.0%	
	Pinnacle Pet Holding Ltd	UK	Equity	30.0%	30.0%	E3				
	Poistovna Cardif Slovakia AS	Slovakia	Equity *	100.0%	100.0%		Equity *	100.0%	100.0%	
	Preim Healthcare SAS[s]	France	FV	-	-		FV	-	-	
	PWH	France	FV	47.5%	47.5%		FV	47.5%	47.5%	
	Reumal Investissements	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Rubin SARL	Luxembourg	FV	50.0%	50.0%		FV	50.0%	50.0%	
	Rueil Ariane	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SAS HVP	France	Full(2)	100.0%	98.5%		Full(2)	100.0%	98.5%	V4
	Schroder European Operating Hotels Fund 1[s]	Luxembourg	FV	-	-		FV	-	-	E1
	SCI 68/70 rue de Lagny - Montreuil	France	Full(2)	99.9%	99.9%	V3	Full(2)	100.0%	100.0%	
	SCI Alpha Park	France	FV	50.0%	50.0%		FV	50.0%	50.0%	
	Sci Batipart Chadesrent	France	FV	20.0%	20.0%		FV	20.0%	20.0%	E2
	SCI Biv Malakoff	France	FV	23.3%	23.3%		FV	23.3%	23.3%	E3
	SCI BNPP Pierre I	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI BNPP Pierre II	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Bobigny Jean Rostand	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	

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Business	Name	Country	Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
	SCI Bouleragny	France	FV	50.0%	50.0%		FV	50.0%	50.0%	
	SCI Cardif Logement	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Citylight Boulogne	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Clichy Nuovo	France	FV	50.0%	50.0%		FV	50.0%	50.0%	
	SCI Défense Etoile	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Défense Vendôme	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Etoile du Nord	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Fontenay Plaisance	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Imefa Velizy	France	FV	21.8%	21.8%		FV	21.8%	21.8%	
	SCI Le Mans Gare	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Liberté	France								S2
	SCI Nanterre Guilleraies	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Nantes Carnot	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Odyssée	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Pantin Les Moulins	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Paris Batignolles	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Paris Cours de Vincennes	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Paris Grande Armée	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Paris Turenne	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Portes de Claye	France	Equity	45.0%	45.0%		Equity	45.0%	45.0%	
	SCI Rue Moussorgski	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Rueil Caudron	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Saint Denis Landy	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Saint Denis Mitterrand	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Saint-Denis Jade	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI SCOO	France	Equity	46.4%	46.4%		Equity	46.4%	46.4%	
	SCI Vendôme Athènes	France	FV	50.0%	50.0%		FV	50.0%	50.0%	
	SCI Villeurbanne Stalingrad	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Secar	France	FV	55.1%	55.1%		FV	55.1%	55.1%	
	Seniorenzentren Deutschland Holding SARL	Luxembourg	FV	20.0%	17.7%		FV	20.0%	17.7%	
	Seniorenzentren Reinbeck Oberursel München Objekt GmbH	Germany	FV	35.0%	31.0%		FV	35.0%	31.0%	
	Seniorenzentrum Butzbach Objekt GmbH	Germany	FV	35.0%	31.0%		FV	35.0%	31.0%	
	Seniorenzentrum Heilbronn Objekt GmbH	Germany	FV	35.0%	31.0%		FV	35.0%	31.0%	
	Seniorenzentrum Kassel Objekt GmbH	Germany	FV	35.0%	31.0%		FV	35.0%	31.0%	
	Seniorenzentrum Wolfratshausen Objekt GmbH	Germany	FV	35.0%	31.0%		FV	35.0%	31.0%	
	SNC Batipart Mermoz	France	FV	25.0%	25.0%		FV	25.0%	25.0%	E2
	SNC Batipart Poncelet	France	FV	25.0%	25.0%		FV	25.0%	25.0%	V1
	Société Francaise d'Assurances sur la Vie	France	Equity	50.0%	50.0%		Equity	50.0%	50.0%	
	Société Immobilière du Royal Building SA	Luxembourg	Full(2)	100.0%	88.6%		Full(2)	100.0%	88.6%	
	Tikehau Cardif Loan Europe[s]	France	Full(2)	-	-		Full(2)	-	-	
	Valeur Pierre Epargne	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Valtitres FCP[s]	France	Full(2)	-	-		Full(2)	-	-	
	Velizy Holding	France	FV	33.3%	33.3%		FV	33.3%	33.3%	

			30 June 2022				31 December 2021			
Business	Name	Country	Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
Wealth Management										
	BNPP Wealth Management DIFC Ltd	United Arab Emirates	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Wealth Management Monaco	Monaco	Full[1]	100.0%	100.0%		Full[1]	100.0%	100.0%	
Asset Management										
	Alfred Berg Kapitalforvaltning AS	Norway	Full	100.0%	98.2%		Full	100.0%	98.2%	
	Alfred Berg Kapitalforvaltning AS (Sweden branch)	Sweden	Full	100.0%	98.2%		Full	100.0%	98.2%	
	Bancoestado Administradora General de Fondos SA	Chile	Equity	50.0%	49.1%		Equity	50.0%	49.1%	
	Baroda BNPP AMC Private Ltd (Ex- BNPP Asset Management India Private Ltd)	India	Equity[3]	49.9%	49.0%	D8	Full	100.0%	98.2%	
	BNPP AM International Hedged Strategies[s]	France	Full[4]	-	-		Full[4]	-	-	E1
	BNPP Asset Management Asia Ltd	Hong Kong	Full	100.0%	98.2%		Full	100.0%	98.2%	
	BNPP Asset Management Be Holding	Belgium	Full	100.0%	98.2%		Full	100.0%	98.2%	
	BNPP Asset Management Belgium	Belgium	Full	100.0%	98.2%		Full	100.0%	98.2%	
	BNPP Asset Management Brasil Ltda	Brazil	Full	100.0%	99.5%		Full	100.0%	99.5%	
	BNPP Asset Management France	France	Full	100.0%	98.2%		Full	100.0%	98.2%	
	BNPP Asset Management France (Austria branch)	Austria	Full	100.0%	98.2%		Full	100.0%	98.2%	
	BNPP Asset Management France (Germany branch)	Germany	Full	100.0%	98.2%		Full	100.0%	98.2%	
	BNPP Asset Management France (Italy branch)	Italy	Full	100.0%	98.2%		Full	100.0%	98.2%	
	BNPP Asset Management France (Netherlands branch)	Netherlands	Full	100.0%	98.2%		Full	100.0%	98.2%	
	BNPP Asset Management Holding	France	Full	99.9%	98.2%		Full	99.9%	98.2%	
	BNPP Asset Management Japan Ltd	Japan	Full	100.0%	98.2%		Full	100.0%	98.2%	
	BNPP Asset Management Luxembourg	Luxembourg	Full	99.7%	97.9%		Full	99.7%	97.9%	
	BNPP Asset Management Nederland NV	Netherlands								S4
	BNPP Asset Management NL Holding NV	Netherlands	Full	100.0%	98.2%		Full	100.0%	98.2%	
	BNPP Asset Management PT	Indonesia	Full	100.0%	98.2%		Full	100.0%	98.2%	
	BNPP Asset Management Services Grouping	France	Full	100.0%	98.2%		Full	100.0%	98.2%	
	BNPP Asset Management UK Ltd	UK	Full	100.0%	98.2%		Full	100.0%	98.2%	
	BNPP Asset Management USA Holdings Inc	USA	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Asset Management USA Inc	USA	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP B Institutional II[s]	Belgium	Full[4]	-	-		Full[4]	-	-	
	BNPP Capital Partners	France								S4
	BNPP Dealing Services	France	Full	100.0%	98.2%		Full	100.0%	98.2%	
	BNPP European SME Debt Fund 2 SCSP RAIF[s]	Luxembourg	Full[4]	-	-		Full[4]	-	-	E1
	BNPP Flexi I[s]	Luxembourg	Full[4]	-	-		Full[4]	-	-	
	BNPP Funds[s]	Luxembourg	Full[4]	-	-		Full[4]	-	-	
	BNPP L1[s]	Luxembourg								S3
	BNPP Multigestion[s]	France	Full[4]	-	-		Full[4]	-	-	
	BNPP Perspectives[s]	France								S3
	Drypnir AS	Norway	Full	100.0%	0.0%		Full	100.0%	0.0%	
	EAB Group PLC	Finland	Equity	17.6%	17.3%		Equity	17.6%	17.3%	
	Fundquest Advisor	France	Full	100.0%	98.2%		Full	100.0%	98.2%	
	Fundquest Advisor (United kingdom branch)	UK	Full	100.0%	98.2%		Full	100.0%	98.2%	
	Gambit Financial Solutions	Belgium	Full	100.0%	98.2%		Full	100.0%	98.2%	V1
	Groeivermogen NV	Netherlands								S3

			30 June 2022				31 December 2021			
Business	Name	Country	Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
	Haitong Fortis Private Equity Fund Management Co Ltd	China	Equity	33.0%	32.4%		Equity	33.0%	32.4%	
	Harewood Helena 1 Ltd	UK	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Harmony Prime[s]	France	Full(4)	-	-	E1				
	HFT Investment Management Co Ltd	China	Equity	49.0%	48.1%		Equity	49.0%	48.1%	
	Impax Asset Management Group PLC	UK	Equity	13.8%	13.5%		Equity	13.8%	13.5%	V3
	Services Epargne Entreprise	France	Equity	35.6%	35.6%		Equity	35.6%	35.6%	
	Shinhan BNPP Asset Management Co Ltd	Rep. of Korea								S2
	SME Alternative Financing DAC[s]	Ireland	Full	-	-		Full	-	-	
	Theam Quant[s]	Luxembourg	Full(4)	-	-		Full(4)	-	-	
	Theam Quant Europe Climate Carbon Offset Plan[s]	France	Full(4)	-	-	E1				
Real Estate										
	Auguste Thouard Expertise	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Immobilier Promotion Immobilier d'Entreprise	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Immobilier Résidences Services	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Immobilier Résidentiel	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Immobilier Résidentiel Service Clients	France				S4	Full(2)	100.0%	100.0%	
	BNPP Real Estate	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate (United arab emirates branch)	United Arab Emirates	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Advisory & Property Management Luxembourg SA	Luxembourg	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Advisory & Property Management UK Ltd	UK	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Advisory and Property Management Ireland Ltd	Ireland	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Advisory Belgium SA	Belgium								S4
	BNPP Real Estate Advisory Italy SPA	Italy	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Advisory Netherlands BV	Netherlands	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate APM CR SRO	Czech Rep.								S2
	BNPP Real Estate Conseil Habitation & Hospitality	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Consult France	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Consult GmbH	Germany	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Facilities Management Ltd	UK	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Financial Partner	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate GmbH	Germany	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Holding Benelux SA	Belgium	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Holding GmbH	Germany	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Investment Management Belgium	Belgium	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Investment Management France	France	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Real Estate Investment Management Germany GmbH	Germany	Full	94.9%	94.9%		Full	94.9%	94.9%	
	BNPP Real Estate Investment Management Germany GmbH (Italy branch)	Italy	Full	94.9%	94.9%		Full	94.9%	94.9%	
	BNPP Real Estate Investment Management Germany GmbH (Spain branch)	Spain	Full	94.9%	94.9%		Full	94.9%	94.9%	
	BNPP Real Estate Investment Management Germany GmbH Lisbon Representative Office	Portugal	Full	94.9%	94.9%	E1				
	BNPP Real Estate Investment Management Italy SPA	Italy	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Real Estate Investment Management Ltd	UK	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Investment Management Luxembourg SA	Luxembourg	Full	100.0%	100.0%		Full	100.0%	100.0%	

			30 June 2022				31 December 2021			
Business	Name	Country	Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
	BNPP Real Estate Investment Management Spain SA	Spain	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Investment Management UK Ltd	UK	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Italy SRL	Italy	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Magyarorszag Tanacsado Es Ingatlankezelo ZRT	Hungary								S2
	BNPP Real Estate Poland SP ZOO	Poland	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Portugal Unipersonal LDA	Portugal	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Property Development & Services GmbH	Germany	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Property Development UK Ltd	UK	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Property Developpement Italy SPA	Italy	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Property Management Belgium	Belgium								S4
	BNPP Real Estate Property Management France SAS	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Property Management GmbH	Germany	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Property Management Italy SRL	Italy	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Singapore Pte Ltd	Singapore	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Spain SA	Spain	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Transaction France	France	Full(2)	96.7%	96.7%	V1	Full(2)	96.6%	96.6%	V2
	BNPP Real Estate Valuation France	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cariboo Development SL	Spain	Equity	65.0%	65.0%		Equity	65.0%	65.0%	
	Construction-Sale Companies (c)	France	Full / Equity(2)	-	-		Full / Equity(2)	-	-	
	Exeo Aura & Echo Offices Lda[s]	Portugal	Equity	-	-	E2				
	GIE Siège Issy	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Horti Milano SRL	Italy	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Lifizz	France								S4
	Nanterre Arboretum	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Parker Tower Ltd	UK	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Partner's & Services	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	REPD Parker Ltd	UK	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Sviluppo Residenziale Italia SRL	Italy	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Wapiti Development SL	Spain	Equity	65.0%	65.0%		Equity	65.0%	65.0%	E1
Principal Investments										
	BNPP Agility Capital	France	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Agility Fund Equity SLP[s]	France	Full(4)	-	-		Full(4)	-	-	
	BNPP Agility Fund Private Debt SLP[s]	France	Full(4)	-	-		Full(4)	-	-	
OTHER BUSINESS UNITS										
Property Companies (Property Used In Operations) and Others										
	Antin Participation 5	France	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Home Loan SFH	France	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	
	BNPP Partners for Innovation	France	Full	100.0%	100.0%		Full	100.0%	100.0%	V1/D4
	BNPP Partners for Innovation Belgium	Belgium	Full	100.0%	100.0%		Full	100.0%	100.0%	V1/D4
	BNPP Partners for Innovation Italia SRL	Italy	Full	100.0%	100.0%		Full	100.0%	100.0%	V1/D4
	BNPP Procurement Tech	France	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Public Sector SA	France	Full	100.0%	100.0%		Full	100.0%	100.0%	

			30 June 2022				31 December 2021			
Business	Name	Country	Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
	Euro Secured Notes Issuer[s]	France		-	-	S3	Full	-	-	
	FCT Lafayette 2021[t]	France	Full	-	-		Full	-	-	E2
	FCT Laffitte 2016[t]	France								S1
	FCT Laffitte 2021[t]	France	Full	-	-		Full	-	-	E2
	FCT Opéra 2014[t]	France	Full	-	-		Full	-	-	
	FCT Pyramides 2022[t]	France	Full	-	-	E2				
	GIE Groupement Auxiliaire de Moyens	France	Full	100.0%	100.0%		Full	100.0%	100.0%	
	GIE Groupement d'Etudes et de Prestations	France	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Transvalor	France	Equity	20.2%	20.2%		Equity	20.2%	20.2%	E1

(a) At 30 June 2022, 14 Private Equity investment entities versus 11 Private Equity investment entities at 31 December 2021

(b) At 30 June 2022, the securitisation funds UCI and RMBS Prado include 13 funds (FCC UCI 11, 12, 14 à 17, Fondo de Titulizacion Structured Covered Bonds, RMBS Prado V to X et Green Belem I) versus 15 funds (FCC UCI 11, 12, 14 à 17, Fondo de Titulizacion Structured Covered Bonds, RMBS Prado III to IX et Green Belem I) at 31 December 2021

(c) At 30 June 2022, 111 Construction-sale companies (83 Full and 28 Equity) versus 115 at 31 December 2021 (89 Full and 26 Equity)

Changes in the scope of consolidation

New entries (E) in the scope of consolidation

E1	Passing qualifying thresholds
E2	Incorporation
E3	Purchase, gain of control or significant influence

Removals (S) from the scope of consolidation

S1	Cessation of activity (dissolution, liquidation, *etc.*)
S2	Disposal, loss of control or loss of significant influence
S3	Passing qualifying thresholds
S4	Merger, Universal transfer of assets and liabilities

Variance (V) in voting or ownership interest

V1	Additional purchase
V2	Partial disposal
V3	Dilution
V4	Increase in %

Miscellaneous

D1	Consolidation method change not related to fluctuation in voting or ownership interest
D2	Entities of a business held for sale
D3	The Verner Investissements group was consolidated under equity method in BNP Paribas Group until 13 July 2021. Following the additional purchase of interest by BNP Paribas Group, the Verner Investments group was fully consolidated (see note 7.c.)
D4	The BNPP Partners for Innovation group was consolidated under equity method in BNP Paribas Group until 31 December 2021. Following the additional purchase of interest by BNP Paribas Group, The BNPP Partners for Innovation group was fully consolidated.
D5	Compagnie Financière pour le Loisirs was consolidated under equity method in BNP Paribas Group until 31 December 2021. Following the additional purchase of interest by BNP Paribas Group, Compagnie Financière pour le Loisirs was fully consolidated.
D6	Worldline Merchant Services Italia SPA was fully consolidated in BNP Paribas Group until 31 December 2021. Following the partial disposal by the Group, Worldline Merchant Services Italia SPA was consolidated under equity method
D7	bpost banque was consolidated under equity method in BNP Paribas Group until 31 December 2021. Following the additional purchase of interest by BNP Paribas Group, bpost banque was fully consolidated.
D8	Baroda BNPP AMC Private Ltd was fully consolidated in BNP Paribas Group until 31 December 2021. Following the partial disposal by the Group, Baroda BNPP AMC Private Ltd was consolidated under equity method

Equity *	Controlled but non material entities consolidated under the equity method as associates
FV	Joint control or investment in associates measured at Fair Value through P&L
s	Structured entities
t	Securitisation funds

Prudential scope of consolidation

(1)	French subsidiaries whose supervision of prudential requirements is complied with through the supervision on a consolidated basis of BNP Paribas SA, in accordance with article 7.1 of Regulation n°575/2013 of the European Parliament and of the Council
(2)	Entities consolidated under the equity method in the prudential scope
(3)	Jointly controlled entities under proportional consolidation in the prudential scope
(4)	Collective investment undertaking excluded from the prudential scope.

3. RISK FACTORS

Unless otherwise indicated, the information and financial elements contained in these risk factors specifically include the activity of BancWest to reflect a prudential vision. They are, therefore, presented excluding the effects of the application of IFRS 5 on groups of assets and liabilities held for sale. This document includes a reconciliation between the operational vision presented excluding the application of IFRS 5 and the consolidated financial statements applying IFRS 5 in chapter 3. The main categories of risk inherent in the BNP Paribas Group's business are presented below. They may be measured through risk-weighted assets or other quantitative or qualitative indicators, to the extent risk-weighted assets are not relevant (for example, for liquidity and funding risk).

	RWA		
In billions of euros	30 June 2022	31 December 2021	31 December 2020
Credit risk	**581**	**554**	**527**
Counterparty credit risk	**48**	**40**	**41**
Securitisation risk in the banking book	**16**	**14**	**14**
Operational risk	**62**	**63**	**71**
Market risk	**29**	**25**	**25**
Amounts below the thresholds for deduction (subject to 250% risk weight)	**20**	**18**	**17**
TOTAL	**756**	**714**	**696**

More generally, the risks to which the BNP Paribas Group is exposed may arise from a number of factors related, among others, to changes in its macroeconomic or regulatory environment or factors related to the implementation of its strategy and its business.
The material risks specific to the BNP Paribas Group's business, determined based on the circumstances known to the management as of the date of this document, are thus presented below under 7 main categories, in accordance with Article 16 of Regulation (EU) No. 2017/1129, known as "Prospectus 3" of 14 June 2017, the provisions of which relating to risk factors came into force on 21 July 2019: credit risk, counterparty risk and securitisation risk in the banking book; operational risk; market risk; liquidity and funding risk; risks related to the macroeconomic and market environment; regulatory risks; and risks related to the BNP Paribas Group's growth in its current environment.
The Group's risk management policies have been taken into account in assessing the materiality of these risks; in particular, risk-weighted assets factor in risk mitigation elements to the extent eligible in accordance with applicable banking regulations.

1. CREDIT RISK, COUNTERPARTY RISK AND SECURITISATION RISK IN THE BANKING BOOK

BNP Paribas Group's credit risk is defined as the probability of a borrower or counterparty defaulting on its obligations to the BNP Paribas Group. Probability of default along with the recovery rate of the loan or debt in the event of default are essential elements in assessing credit quality. In accordance with the European Banking Authority recommendations, this category of risk also includes risks on equity investments, as well as those related to insurance activities. At 31 December 2021, the BNP Paribas Group's credit risk exposure broke down as follows: corporates (41%), central governments and central banks (27%), retail customers (25%), credit institutions (4%), other items (2%) and equities (1%). At 31 December 2021, 32% of the BNP Paribas Group's credit exposure was comprised of exposures in France, 16% in Belgium and Luxembourg, 9% in Italy, 19% in other European countries, 13% in North America, 6% in Asia and 5% in the rest of the world. The BNP Paribas Group's risk-weighted assets subject to this type of risk amounted to EUR 554 billion at 31 December 2021, or 78% of the total risk-weighted assets of the BNP Paribas Group, compared to EUR 527 billion at 31 December 2020 and at EUR 581 billion at 30 June 2022, or 77% of the total risk-weighted assets of the BNP Paribas Group.

BNP Paribas Group's counterparty risk arises from its credit risk in the specific context of market transactions, investments, and/or settlements. BNP Paribas Group's exposure to counterparty risk, excluding CVA (Credit Valuation Adjustment) risk at 31 December 2021, is comprised of: 44% to the corporate sector, 19% to governments and central banks, 13% to credit institutions and investment firms, and 24% to clearing houses. By product, BNP Paribas Group's exposure, excluding CVA risk, at 31 December 2021 is comprised of: 51% in OTC derivatives, 33% in repurchase transactions and securities lending/borrowing, 10% in listed derivatives and 6% in contributions to the clearing houses' default funds. The amount of this risk varies over time, depending on fluctuations in market parameters affecting the potential future value of the covered transactions. In addition, CVA risk measures the risk of losses related to CVA volatility resulting from fluctuations in credit spreads associated with the counterparties to which the BNP Paribas Group is subject to risk. The risk-weighted assets subject to counterparty credit risk amounted to EUR 40 billion at 31 December 2021, representing 6% of the BNP Paribas Group's total risk-weighted assets, compared to EUR 41 billion at 31 December 2020 and at EUR 48 billion at 30 June 2022, or 6% of the total risk-weighted assets of the BNP Paribas Group.

Securitisation risk in the banking book: securitisation is a transaction or arrangement by which the credit risk associated with a liability or set of liabilities is subdivided into tranches. Any commitment made by the BNP Paribas Group under a securitisation structure (including derivatives and liquidity lines) is considered to be a securitisation. The bulk of the BNP Paribas Group's commitments are in the prudential banking portfolio. Securitised exposures are essentially those generated by the BNP Paribas Group. The securitisation positions held or acquired by the BNP Paribas Group may also be categorised by its role: of the positions as at 31 December 2021, BNP Paribas was originator of 50%, was sponsor of 31% and was investor of 19%. The risk-weighted assets subject to this type of risk amounted to EUR 14 billion at 31 December 2021, representing 2% of the BNP Paribas Group's total risk-weighted assets, unchanged compared 31 December 2020 and at EUR 16 billion at 30 June 2022, or 2% of the total risk-weighted assets of the BNP Paribas Group.

1.1 A substantial increase in new provisions or a shortfall in the level of previously recorded provisions exposed to credit risk and counterparty risk could adversely affect the BNP Paribas Group's results of operations and financial condition.

Credit risk and counterparty risk impact the BNP Paribas Group's consolidated financial statements when a customer or counterparty is unable to honour its obligations and when the book value of these obligations in the BNP Paribas Group's records is positive. The customer or counterparty may be a bank, a financial institution, an industrial or commercial enterprise, a government or a government entity, an investment fund, or a natural person. If the default rate of customers or counterparties increases, the BNP Paribas Group may have to record increased charges or provisions in respect of irrecoverable or doubtful loans (Stage 3) or of performing loans (Stages 1 and 2), in response to a deterioration in economic conditions or other factors, which may affect its profitability.

As a result, in connection with its lending activities, the BNP Paribas Group regularly establishes provisions, which are recorded on its income statement in the line item Cost of Risk. These provisions amounted to EUR 2,925 billion at 31 December 2021, representing 34 basis points of outstanding customer loans (compared with 66 basis points at 31 December 2020 and 39 basis points at 31 December 2019). The significant increase in these provisions in 2020 reflects the economic consequences of the health crisis and is an example of the materialisation of this risk, while their decrease in 2021 is explained by a high base in 2020, a limited number of defaults and write-backs of provisions on performing loans. In the first half of 2022, the cost of risk was impacted by a EUR 511 million provision for ex-ante expected losses (levels 1 and 2) related to the indirect effects of the invasion of Ukraine and the rise in inflation and interest rates, partially offset by a write-back of provisions related to the health crisis of EUR 187 million. The BNP Paribas Group's overall level of provisions is based on its assessment of prior loss experience, the volume and type of lending being conducted, industry standards, past due loans, economic conditions and other factors related to the recoverability of various loans or statistical analysis based on scenarios applicable to asset classes. Although the BNP Paribas Group seeks to establish an appropriate level of provisions, its lending businesses may have to increase their provisions for loan losses or sound receivables substantially in the future as a result of deteriorating economic conditions or other causes. Any significant increase in provisions for loan losses or a significant change in the BNP Paribas Group's estimate of the risk of loss inherent in its portfolio of non-impaired loans, as well as the occurrence of loan losses in excess of the related provisions, could have a material adverse effect on the BNP Paribas Group's results of operations and financial condition.

For reference, at 31 December 2021, the ratio of doubtful loans to total loans outstanding was 2.0% and the coverage ratio of these doubtful commitments (net of guarantees received) by provisions was 73.6%, against 2.1% and 71.5%, respectively, as at 31 December 2020. These two ratios are defined in 5.1 Key figures of the 2021 Universal registration document.

While the BNP Paribas Group seeks to reduce its exposure to credit risk and counterparty risk by using risk mitigation techniques such as collateralisation, obtaining guarantees, entering into credit derivatives and entering into netting agreements, it cannot be certain that these techniques will be effective to offset losses resulting from counterparty defaults that are covered by these techniques. Moreover, the BNP Paribas Group is also exposed to the risk of default by the party providing the credit risk coverage (such as a counterparty in a derivative or a loan insurance contract) or to the risk of loss of value of any collateral. In addition, only a portion of the BNP Paribas Group's overall credit risk and counterparty risk is covered by these techniques. Accordingly, the BNP Paribas Group has very significant exposure to these risks.

1.2 The soundness and conduct of other financial institutions and market participants could adversely affect the BNP Paribas Group.

The BNP Paribas Group's ability to engage in financing, investment and derivative transactions could be adversely affected by the soundness of other financial institutions or market participants. Financial institutions are interrelated as a result of trading, clearing, counterparty, funding or other relationships. As a result, defaults by one or more States or financial institutions, or even rumours or questions about one or more financial institutions, or the financial services industry generally, may lead to market-wide liquidity problems and could lead to further losses or defaults. The BNP Paribas Group has exposure to many counterparties in the financial industry, directly and indirectly, including clearing houses, brokers and dealers, commercial banks, investment banks, mutual and alternative investment funds, and other institutional clients with which it regularly executes transactions. The BNP Paribas Group may also be exposed to risks related to the increasing involvement in the financial sector of players and the introduction of new types of transactions subject to little or no regulation (e.g. unregulated funds, trading venues or crowdfunding platforms). Credit and counterparty risks could be exacerbated if the collateral held by the BNP Paribas Group cannot be realised, it decreases in value or it is liquidated at prices not sufficient to recover the full amount of the loan or derivative exposure due to the BNP Paribas Group or in the event of the failure of a significant financial market participant such as a central counterparty. For reference, counterparty risk exposure related to financial institutions was EUR 29 billion at 31 December 2021, or 13% of the BNP Paribas Group's total counterparty risk exposure, and counterparty risk exposure related to clearing houses was EUR 54 billion, or 24% of the BNP Paribas Group's total counterparty risk exposure.

In addition, fraud or misconduct by financial market participants can have a material adverse effect on financial institutions due in particular to the interrelated nature of the financial markets. An example is the fraud perpetrated by Bernard Madoff that came to light in 2008, as a result of which numerous financial institutions globally, including the BNP Paribas Group, announced losses or exposure to losses in substantial amounts. The BNP Paribas Group remains the subject of various claims in connection with the Madoff matter; see note 6.b Legal proceedings and arbitration to its consolidated financial statements for the first half of 2022.

Losses resulting from the risks summarised above could materially and adversely affect the BNP Paribas Group's results of operations.

2. OPERATIONAL RISK

BNP Paribas Group's operational risk is the risk of loss resulting from failed or inadequate internal processes (particularly those involving personnel and information systems) or external events, whether deliberate, accidental or natural (floods, fires, earthquakes, terrorist attacks, etc.). BNP Paribas Group's operational risks cover fraud, Human Resources risks, legal and reputational risks, non-compliance risks, tax risks, information systems risks, risk of providing inadequate financial services (conduct risk), risk of failure of operational processes including credit processes, or from the use of a model (model risk), as well as potential financial consequences related to reputation risk management. From 2013 to 2021, BNP Paribas Group's main type of incidents involving operational risk were in "Clients, products and business practices", which represents more than half of the total financial impact, largely as a result of the BNP Paribas Group's agreement with US authorities regarding its review of certain dollar transactions concluded in June 2014. Process failures, including errors in execution or processing of transactions and external fraud are respectively the second and third types of incidents with the highest financial impact. Between 2013 and 2021, other types of risk in operational risk consisted of external fraud (14%), business disruption and systems failure (3%), employment practices and workplace safety (2%), internal fraud (1%) and damage to physical assets (1%).

The risk-weighted assets subject to this type of risk amounted to EUR 63 billion at 31 December 2021, representing 9% of the BNP Paribas Group's total risk-weighted assets, compared to EUR 71 billion at 31 December 2020 and EUR 62 billion at 30 June 2022, or 8% of the total risk-weighted assets of the BNP Paribas Group.

2.1 The BNP Paribas Group's risk management policies, procedures and methods may leave it exposed to unidentified or unanticipated risks, which could lead to material losses.

The BNP Paribas Group has devoted significant resources to developing its risk management policies, procedures and assessment methods and intends to continue to do so in the future. Nonetheless, the BNP Paribas Group's risk management techniques and strategies may not be fully effective in mitigating its risk exposure in all economic and market environments or against all types of risk, particularly risks that the BNP Paribas Group may have failed to identify or anticipate. The BNP Paribas Group's ability to assess the creditworthiness of its customers or to estimate the values of its assets may be impaired if, as a result of market turmoil such as that experienced in recent years, the models and approaches it uses become less predictive of future behaviour, valuations, assumptions or estimates. Some of the BNP Paribas Group's qualitative tools and metrics for managing risk are based on its use of observed historical market behaviour. The BNP Paribas Group applies statistical and other tools to these observations to arrive at quantifications of its risk exposures. The process the BNP Paribas Group uses to estimate losses inherent in its credit exposure or estimate the value of certain assets requires difficult, subjective, and complex judgments, including forecasts of economic conditions and how these economic predictions might impair the ability of its borrowers to repay their loans or impact the value of assets, which may, during periods of market disruption or substantial uncertainty, be incapable of accurate estimation and, in turn, impact the reliability of the process. These tools and metrics may fail to predict future risk exposures, e.g. if the BNP Paribas Group does not anticipate or correctly evaluate certain factors in its statistical models, or upon the occurrence of an event deemed extremely unlikely by the tools and metrics. This would limit the BNP Paribas Group's ability to manage its risks. The BNP Paribas Group's losses could therefore be significantly greater than the historical measures indicate. In addition, the BNP Paribas Group's quantified modelling does not take all risks into account. Its more qualitative approach to managing certain risks could prove insufficient, exposing it to material unanticipated losses.

2.2 An interruption in or a breach of the BNP Paribas Group's information systems may cause substantial losses of client or customer information, damage to the BNP Paribas Group's reputation and result in financial losses.

As with most other banks, the BNP Paribas Group relies heavily on communications and information systems to conduct its business. This dependency has increased with the spread of mobile and online banking services, the development of cloud computing, and more generally the use of new technologies. Any failure or interruption or breach in security of these systems could result in failures or interruptions in the BNP Paribas Group's customer relationship management, general ledger, deposit, servicing and/or loan organisation systems or could cause the BNP Paribas Group to incur significant costs in recovering and verifying lost data. The BNP Paribas Group cannot provide assurances that such failures or interruptions will not occur or, if they do occur, that they will be adequately addressed.

In addition, the BNP Paribas Group is subject to cybersecurity risk, or risk caused by a malicious and/or fraudulent act, committed virtually, with the intention of manipulating information (confidential data, bank/ insurance, technical or strategic), processes and users, in order to cause material losses to the BNP Paribas Group's subsidiaries, employees, partners and clients and/or for the purpose of extortion (ransomware). An increasing number of companies (including financial institutions) have in recent years experienced intrusion attempts or even breaches of their information technology security, some of which have involved sophisticated and highly targeted attacks on their computer networks. Because the techniques used to obtain unauthorised access, disable or degrade service, steal confidential data or sabotage information systems have become more sophisticated, change frequently and often are not recognised until launched against a target, the BNP Paribas Group and its third-party service providers may be unable to anticipate these techniques or to implement in a timely manner effective and efficient countermeasures. Any failures of or interruptions in the BNP Paribas Group's information systems or those of its providers and any subsequent disclosure of confidential information related to any client, counterpart or employee of the BNP Paribas Group (or any other person) or any intrusion or attack against its communication system could cause significant losses and have an adverse effect on the BNP Paribas Group's reputation, financial condition and results of operations. Regulatory authorities now consider cybersecurity as a growing systemic risk for the financial sector. They have stressed the need for financial institutions to improve their resilience to cyber-attacks by strengthening internal IT monitoring and control procedures. A successful cyber-attack could therefore expose the Group to a regulatory fine, especially should any personal data from customers be lost.

Moreover, the BNP Paribas Group is exposed to the risk of operational failure or interruption of a clearing agent, foreign markets, clearing houses, custodian banks or any other financial intermediary or external service provider used by the BNP Paribas Group to execute or facilitate financial transactions. Due to its increased interaction with clients, the BNP Paribas Group is also exposed to the risk of operational malfunction of the latter's information systems. The BNP Paribas Group's communications and data systems and those of its clients, service providers and counterparties may also be subject to malfunctions or interruptions as a result of cyber-crime or cyber-terrorism. The BNP Paribas Group cannot guarantee that these malfunctions or interruptions in its own systems or those of other parties will not occur or that in the event of a cyber-attack, these malfunctions or interruptions will be adequately resolved. These operational malfunctions or interruptions accounted for an average of 3% of operational risk losses over the 2013-2021 period.

2.3 Reputational risk could weigh on the BNP Paribas Group's financial strength and diminish the confidence of clients and counterparties in it.

Considering the highly competitive environment in the financial services industry, a reputation for financial strength and integrity is critical to the BNP Paribas Group's ability to attract and retain customers. The BNP Paribas Group's reputation could be harmed if the means it uses to market and promote its products and services were to be deemed inconsistent with client interests. The BNP Paribas Group's reputation could also be damaged if, as it increases its client base and the scale of its businesses, its overall procedures and controls dealing with conflicts of interest fail, or appear to fail, to address them properly. Moreover, the BNP Paribas Group's reputation could be damaged by employee misconduct, fraud or misconduct by financial industry participants to which the BNP Paribas Group is exposed, a restatement of, a decline in, or corrections to its results, as well as any adverse legal or regulatory action, such as the settlement the BNP Paribas Group entered into with the US authorities in 2014 for violations of US laws and regulations regarding economic sanctions. The loss of business that could result from damage to the BNP Paribas Group's reputation could have an adverse effect on its results of operations and financial position.

3. MARKET RISK

The BNP Paribas Group's market risk is the risk of loss of value caused by an unfavourable trend in prices or market parameters. The parameters affecting the BNP Paribas Group's market risk include, but are not limited to, exchange rates, prices of securities and commodities (whether the price is directly quoted or obtained by reference to a comparable asset), the price of derivatives on an established market and all benchmarks that can be derived from market quotations such as interest rates, credit spreads, volatility or implicit correlations or other similar parameters. BNP Paribas Group is exposed to market risk mainly through trading activities carried out by the business lines of its Corporate & Institutional Banking (CIB) operating division, primarily in Global Markets, which represented 14.8% of the BNP Paribas Group's revenue in 2021. BNP Paribas Group's trading activities are directly linked to economic relations with clients of these business lines, or indirectly as part of its market making activity.

In addition, the market risk relating to the BNP Paribas Group's banking activities covers its interest rate and foreign exchange rate risk in connection with its activities as a banking intermediary. The "operating" foreign exchange risk exposure relates to net earnings generated by activities conducted in currencies other than the functional currency of the entity concerned. The "structural" foreign exchange risk position of an entity relates to investments in currencies other than the functional currency. In measuring interest rate risk, the BNP Paribas Group defines the concepts of standard rate risk and structural rate risk as the following: the standard rate risk corresponds to the general case, namely when it is possible to define the most appropriate hedging strategy for a given transaction, and the structural rate risk is the interest rate risk for equity and non-interest-bearing current accounts. BNP Paribas' market risk based on its activities is measured by Value at Risk (VaR), and various other market indicators (stressed VaR, Incremental Risk Charge, Comprehensive Risk Measure for credit correlation portfolio) as well as by stress tests and sensitivity analysis compared with market limits.

The risk-weighted assets subject to this type of risk amounted to EUR 25 billion at 31 December 2021, representing 3% of the BNP Paribas Group's total risk-weighted assets, compared to EUR 25 billion representing 4% of the total risk-weighted assets at 31 December 2020 and EUR 29 billion at 30 June 2022, or 4% of the total risk-weighted assets of the BNP Paribas Group.

3.1 The BNP Paribas Group may incur significant losses on its trading and investment activities due to market fluctuations and volatility.

The BNP Paribas Group maintains trading and investment positions in the debt, currency, commodity and equity markets, and in unlisted securities, real estate and other asset classes, including through derivative contracts. These positions could be adversely affected by extreme volatility in these markets, i.e. the degree to which prices fluctuate over a particular period in a particular market, regardless of market levels. Moreover, volatility trends that prove substantially different from the BNP Paribas Group's expectations may lead to losses relating to a broad range of other products that the BNP Paribas Group uses, including swaps, forward and future contracts, options and structured products.

To the extent that the BNP Paribas Group owns assets, or has net long positions, in any of those markets, a market downturn could result in losses from a decline in the value of its positions. Conversely, to the extent that the BNP Paribas Group has sold assets that it does not own, or has net short positions in any of those markets, a market upturn could, in spite of the existing limitation of risks and control systems, expose the BNP Paribas Group to potentially substantial losses as it attempts to cover its net short positions by acquiring assets in a rising market. The BNP Paribas Group may from time to time hold a long position in one asset and a short position in another, in order to hedge transactions with clients and/or in view of benefitting from changes in the relative value of the two assets. If, however, the relative value of the two assets changes in a direction or manner that the BNP Paribas Group did not anticipate or against which its positions are not hedged, it might realise a loss on those paired positions. Such losses, if significant, could adversely affect the BNP Paribas Group's results and financial condition. In addition, the BNP Paribas Group's hedging strategies may not be suitable for certain market conditions.

If any of the variety of instruments and strategies that the BNP Paribas Group uses to hedge its exposure to various types of risk in its businesses is not effective, the Group may incur losses. Many of its strategies are based on historical trading patterns and correlations. For example, if the BNP Paribas Group holds a long position in an asset, it may hedge that position by taking a short position in another asset where the short position has historically moved in a direction that would offset a change in the value of the long position. However, the hedge may only be partial, or the strategies used may not protect against all future risks or may not be fully effective in mitigating the BNP Paribas Group's risk exposure in all market environments or against all types of risk in the future. Unexpected market developments may also reduce the effectiveness of the BNP Paribas Group's hedging strategies, as shown by the losses incurred by the Group's equity derivatives activities in the first quarter of 2020, due in particular to the market environment, and the ECB decisions on dividend distributions. In addition, the manner in which gains and losses resulting from certain ineffective hedges are recorded may result in additional volatility in the BNP Paribas Group's reported earnings.

The BNP Paribas Group uses a "Value at Risk" (VaR) model to quantify its exposure to potential losses from market risks, and also performs stress testing with a view to quantifying its potential exposure in extreme scenarios (see Market Risk Stress Testing Framework in section 5.7 Market risk of the 2021 Universal registration document). However, these techniques rely on statistical methodologies based on historical observations, which may turn out to be unreliable predictors of future market conditions. Accordingly, the BNP Paribas Group's exposure to market risk in extreme scenarios could be greater than the exposures predicted by its quantification techniques.

3.2 The BNP Paribas Group may generate lower revenues from commission and fee-based businesses during market downturns and declines in activity.

Commissions represented 23% of the BNP Paribas Group's total revenues in 2021. Financial and economic conditions affect the number and size of transactions for which the BNP Paribas Group provides securities underwriting, financial advisory and other Investment Banking services. These revenues, which include fees from these services, are directly related to the number and size of the transactions in which the BNP Paribas Group participates and can thus be significantly affected by economic or financial changes that are unfavourable to its Investment Banking business and clients. In addition, because the fees that the BNP Paribas Group charges for managing its clients' portfolios are in many cases based on the value or performance of those portfolios, a market downturn that reduces the value of its clients' portfolios or increases the amount of withdrawals would reduce the revenues it receives from its asset management, equity derivatives and Private Banking businesses. Independently of market changes, the development of index portfolios or the below-market performance by the BNP Paribas Group's mutual funds may lead to reduced revenues from the BNP Paribas Group's asset management business, and increased withdrawals and reduced inflows for these vehicles. A reduced level of revenues from the abovementioned commission and fee-based businesses may have a material adverse impact on the BNP Paribas Group's financial results.

3.3 Adjustments to the carrying value of the BNP Paribas Group's securities and derivatives portfolios and the BNP Paribas Group's own debt could have an adverse effect on its net income and shareholders' equity.

The carrying value of the BNP Paribas Group's securities and derivatives portfolios and certain other assets, as well as its own debt, in its balance sheet is adjusted as of each financial statement date. As at 31 December 2021, on the assets side of the BNP Paribas Group's balance sheet, financial instruments at fair value through profit or loss, derivative financial instruments used for hedging purposes and financial assets at fair value through shareholders' equity amounted to EUR 683 billion, EUR 9 billion and EUR 46 billion respectively. In the liabilities column, financial instruments at fair value through profit or loss and derivative financial instruments used for hedging purposes amounted to EUR 714 billion and EUR 10 billion, respectively, at 31 December 2021. Most of the adjustments are made on the basis of changes in fair value of the BNP Paribas Group's assets or debt during an accounting period, with the changes recorded either in the income statement or directly in shareholders' equity. Changes that are recorded in the income statement, to the extent not offset by opposite changes in the value of other assets, affect the BNP Paribas Group's consolidated revenues and, as a result, its net income. A downward adjustment of the fair value of the BNP Paribas Group's securities and derivatives portfolios may lead to reduced shareholders' equity, and to the extent not offset by opposite changes in the value of the BNP Paribas Group's liabilities, the BNP Paribas Group's capital adequacy ratios may also be lowered. The fact that fair value adjustments are recorded in one accounting period does not mean that further adjustments will not be needed in subsequent periods.

4. LIQUIDITY AND FUNDING RISK

4.1 The BNP Paribas Group's access to and cost of funding could be adversely affected by a resurgence of financial crises, worsening economic conditions, rating downgrades, increases in sovereign credit spreads or other factors.

The financial crisis, the euro zone sovereign debt crisis as well as the general macroeconomic environment, at times adversely affected the availability and cost of funding for European banks around ten years ago. This was due to several factors, including a sharp increase in the perception of bank credit risk due to exposure to sovereign debt in particular, credit rating downgrades of sovereigns and of banks, and debt market speculation. Many European banks, including the BNP Paribas Group, at various points during these periods experienced restricted access to wholesale debt markets for institutional investors and to the interbank market, as well as a general increase in their cost of funding. In the context of the health crisis, the European Central Bank ("ECB") also set up refinancing facilities designed to foster the banks' financing of the economy (Targeted Longer-Term Refinancing Options or "TLTRO"), on which the BNP Paribas Group has drawn. Such adverse credit market conditions may reappear in the event of a recession, prolonged stagnation of growth, deflation, “stagflation” (sluggish growth accompanied by inflation), a resurgence of the financial crisis, another sovereign debt crisis, new forms of financial crises, factors relating to the financial industry or the economy in general (including the economic consequences of the health crisis or the invasion of Ukraine and its impact on the world economy (including inflation)) or to the BNP Paribas Group in particular. In this case, the effect on the liquidity of the European financial sector in general or the BNP Paribas Group in particular could be materially adverse and have a negative impact on the BNP Paribas Group’s results of operations and financial condition.

4.2 Protracted market declines can reduce the BNP Paribas Group’s liquidity, making it harder to sell assets and possibly leading to material losses. Accordingly, the BNP Paribas Group must ensure that its assets and liabilities properly match in order to avoid exposure to losses.

In some of the BNP Paribas Group’s businesses, particularly Global Markets (which represented 14.8% of the BNP Paribas Group’s revenue in 2021) and Asset/Liability Management, protracted market movements, particularly asset price declines, can reduce the level of activity in the market or reduce market liquidity. These developments can lead to material losses if the BNP Paribas Group cannot close out deteriorating positions in a timely way. This is particularly true for assets that are intrinsically illiquid. Assets that are not traded on stock exchanges or other public trading markets, such as certain derivative contracts between financial institutions, may have values that the BNP Paribas Group calculates using models rather than publicly-quoted prices. Monitoring the deterioration of prices of assets like these is difficult and could lead to significant unanticipated losses (see section 5.8 Liquidity risk, paragraph Stress tests and liquidity reserve of the 2021 Universal registration document).

The BNP Paribas Group is exposed to the risk that the maturity, interest rate or currencies of its assets might not match those of its liabilities. The timing of payments on certain of the BNP Paribas Group’s assets is uncertain, and if the BNP Paribas Group receives lower revenues than expected at a given time, it might require additional market funding in order to meet its obligations on its liabilities. While the BNP Paribas Group imposes strict limits on the gaps between its assets and its liabilities as part of its risk management procedures, it cannot be certain that these limits will be fully effective to eliminate potential losses arising from asset and liability mismatches.

4.3 Any downgrade of the Group’s credit ratings could weigh heavily on the profitability of the Group.

Credit ratings have a significant impact on the BNP Paribas Group’s liquidity. On 25 April 2022, Standard & Poor’s confirmed the long-term rating of BNP Paribas SA’s deposits and senior preferred debt rating as A+, confirmed its short- term rating as A-1 and revised the outlook from negative to stable. On 23 September 2021, Fitch maintained its long-term deposits and senior preferred debt rating for BNP Paribas SA at AA- and F1+ and revised its outlook to stable. On 5 July 2022, Moody’s confirmed its long-term deposits and senior preferred debt rating as Aa3, and confirmed its short-term rating as P-1, with a stable outlook. On 28 June 2022, DBRS confirmed BNP Paribas SA’s senior preferred debt rating as AA(low), as well as its short-term rating as R-1(middle) with a stable outlook. A downgrade in the BNP Paribas Group’s credit rating could affect the liquidity and competitive position of the Group. It could also increase the BNP Paribas Group’s borrowing costs, limit access to the capital markets or trigger additional obligations under its covered bonds or under certain bilateral provisions in some trading, derivative or collateralised financing contacts.

In addition, the BNP Paribas Group’s cost of obtaining long-term unsecured funding from market investors is also directly related to its credit spreads, which in turn depend to a certain extent on its credit ratings. Increases in credit spreads can significantly increase the BNP Paribas Group’s cost of funding. Changes in credit spreads are continuous, market-driven, and subject at times to unpredictable and highly volatile movements. Credit spreads are also influenced by market perceptions of the BNP Paribas Group’s creditworthiness. Furthermore, credit spreads may be influenced by movements in the cost to purchasers of credit default swaps referenced to the BNP Paribas Group’s debt obligations, which are influenced both by the credit quality of those obligations, and by a number of market factors that are beyond the control of the BNP Paribas Group.

5. RISKS RELATED TO THE MACROECONOMIC AND MARKET ENVIRONMENT

5.1 Adverse economic and financial conditions have in the past had and may in the future have an impact on the BNP Paribas Group and the markets in which it operates.

The BNP Paribas Group’s business is sensitive to changes in the financial markets and more generally to economic conditions in France (32% of the Group’s revenues at 31 December 2021), other countries in Europe (45% of the Group’s revenues at 31 December 2021) and the rest of the world (23% of the Group’s revenues at 31 December 2021, including 5% related to activities of Bank of the West in the United States). A deterioration in economic conditions in the markets in the countries where the BNP Paribas Group operates and in the economic environment could in the future have some or all of the following impacts:

- adverse economic conditions affecting the business and operations of the BNP Paribas Group's customers, reducing credit demand and trading volume and resulting in an increased rate of default on loans and other receivables, in part as a result of the deterioration of the financial capacity of companies and households;
- a decline in market prices of bonds, equities and commodities affecting the businesses of the BNP Paribas Group, including in particular trading, Investment Banking and asset management revenues;
- macroeconomic policies adopted in response to actual or anticipated economic conditions having unintended effects, and are likely to impact market parameters such as interest rates and foreign exchange rates, which in turn can affect the BNP Paribas Group's businesses that are most exposed to market risk;
- perceived favourable economic conditions generally or in specific business sectors resulting in asset price bubbles, and the subsequent corrections when conditions become less favourable;
- a significant economic disruption (such as the global financial crisis of 2008, the European sovereign debt crisis of 2011, the recession caused, since 2020, by Covid-19 or high inflation and rising interest rates as well as geopolitical shocks (the invasion of Ukraine in 2022)) having a substantial impact on all of the BNP Paribas Group's activities, particularly if the disruption is characterised by an absence of market liquidity that makes it difficult to sell certain categories of assets at their estimated market value or at all. These disruptions could also lead to a decline in transaction commissions and consumer loans;
- a significant deterioration of market and economic conditions resulting from, among other things, adverse political and geopolitical events such as natural disasters, geopolitical tensions, health risks such as the coronavirus pandemic and its aftermath, the fear or recurrence of new epidemics or pandemics, acts of terrorism, societal unrest, cyber-attacks, military conflicts or threats thereof and related risks (in particular, the ongoing war in Ukraine and related sanctions), may affect the operating environment for the BNP Paribas Group episodically or for extended periods.

Since 2020, economies and financial markets have continued to be, particularly sensitive to a number of factors, including the evolution of the coronavirus pandemic and its economic consequences, in particular the increase in sovereign and corporate debt that pre-dated the health crisis and has been aggravated by it, as well as the strength and staying power of the economic recovery following the crisis' peak, which is itself dependent on a number of factors (see section 7.1 Epidemics and pandemics, including the ongoing coronavirus (Covid-19) pandemic and their economic consequences may adversely affect the Group's business, operations, results and financial condition).
In addition, numerous factors are currently affecting or may continue to affect the economy and the financial markets in the coming months or years, in particular geopolitical tensions or shocks, (notably in Eastern Europe, and in particular, the invasion of Ukraine, as discussed below), political risks directly affecting Europe, general trends in consumer and commodity prices characterised by very high inflation, corresponding trends in wages, supply chain pressures, the changing economic situation in certain countries or regions that contribute to overall global economic growth, tensions around international trade and, as discussed below, the evolution of monetary policy and interest rates (these elements themselves being affected by the above-mentioned factors).

In particular, the invasion of Ukraine, as well as the reaction of the international community, have been, continue to be, and could continue to be a source of instability for Global Markets, depressing stock market indices, inflating commodity prices (notably oil, gas and agricultural products such as wheat), aggravating supply chain disruption, and causing an increase in production costs and inflation more generally. These events have had, and are expected to continue to have, economic and financial repercussions that will increase inflation and decrease global growth, and the BNP Paribas Group and its clients could be adversely affected as a result.

More generally, the volatility of financial markets could adversely affect the BNP Paribas Group's trading and investment positions in the debt, currency, commodity and equity markets, as well as its positions in other investments. For reference, Global Markets accounted for 14.8% of the BNP Paribas Group's revenues in 2021. Severe market disruptions and extreme market volatility have occurred often in recent years and may occur again in the future, which could result in significant losses for the BNP Paribas Group. Such losses may extend to a broad range of trading and hedging products, including swaps, forward and future contracts, options and structured products. The volatility of financial markets makes it difficult to predict trends and implement effective trading strategies.

It is difficult to predict economic or market declines or other market disruptions, and which markets will be most significantly impacted. If economic or market conditions in France or elsewhere in Europe, or Global Markets more generally, deteriorate or become increasingly volatile, the BNP Paribas Group's operations could be disrupted, and its business, results of operations and financial condition could be adversely affected.

5.2 Significant interest rate changes could adversely affect the BNP Paribas Group's revenues or profitability. There are risks associated with exiting or remaining in a prolonged low interest rate environment.

The net interest income recorded by the BNP Paribas Group during any given period significantly affects its overall revenues and profitability for that period. Interest rates are highly sensitive to many factors beyond the BNP Paribas Group's control, such as the rate of inflation, country-specific monetary policies and certain decisions concerning regulatory capital. Changes in market interest rates could affect the interest rates charged on interest-earning assets differently from the interest rates paid on interest-bearing liabilities. Increases in the interest rates at which the BNP Paribas Group's short-term funding is available and maturity mismatches may adversely affect its profitability. Conversely, any adverse change in the yield curve could cause a decline in net interest income generated by the BNP Paribas Group's lending activities.

After a long period of low interest rates (in France, Europe and globally) which intensified during the initial phases of the coronavirus pandemic—due, in particular, to the very accommodating central bank monetary policies—the central banks have been tightening monetary policy since the beginning of 2022 faced with the emergence of stronger and more lasting inflation than initially expected, leading in turn to a rapid and significant rise in market interest rates. For example, on June 15, 2022, the US Federal Reserve stated that it raised its main benchmark interest rate to 1.75% and plans to continue acting in view of reducing inflation to 2%. At the same time, the ECB initiated a first increase of 0.50% on 21 July 2022 and approved the creation of a new "transmission protection instrument". It ended its emergency pandemic purchase programme (EPPP) in March 2022 and its longer-term refinancing operations (TLTRO 3) in June 2022.

Nomalization or tightening of monetary policy following a prolonged period of low interest rates creates risks. Tightening more than expected or more quickly than expected could have a negative impact on the economy and lead to a recession. In the euro zone, which has up until now been characterized by a unified monetary policy despite the varying risk profiles of the component countries, the widening of the spread between sovereign bonds could have an impact on the financing of countries experiencing the greatest rate increases and, in the long term, could have more serious macroeconomic consequences. In addition, a general increase in key interest rates could prompt holders of low-interest debt or assets to switch to higher-interest bearing assets and further reduce the value of portfolios of fixed-interest debt or assets with lower interest rates. If the BNP Paribas Group's hedging strategies prove ineffective or provide only a partial hedge against this decline in value, the BNP Paribas Group could incur losses. Policy decisions to increase the rate of return on regulated savings (already underway in France) should increase the positive inflow of funds into such investments and, conversely, lead to a shift away from unregulated products, which earn lower rates of return or no returns. Such a scenario, combined with the fact that regulated savings would continue to be remunerated at a higher level than the level received by the BNP Paribas Group for these same deposits, could result in additional costs related to the amount of outstanding deposits and lead to a decrease in the funding resources of the BNP Paribas Group. With respect to the financing granted by the BNP Paribas Group, this could in particular test the resilience of the BNP Paribas Group's loan and bond portfolio, and possibly lead to an increase in non-performing loans and loan defaults. In addition, rising interest rates increase the cost of the BNP Paribas Group's funding resources and lead to higher market rates for originated loans under the combined effects of a possible decline in new production and increased competition.

More generally, the gradual evolution of monetary policies, as currently implemented by central banks, has contributed to, and could continue to contribute to, the correction of certain markets or market sectors (for example, non-investment grade borrowers and sovereign borrowers, and certain equity and real estate markets) and impact market participants who have particularly benefited from a prolonged environment of low interest rates and abundant liquidity. These corrections have, and could continue to, spread to all financial markets, particularly due to a significant increase in volatility.

A return in the medium term to a low interest rate environment, or a decline in interest rates, particularly following a recession, cannot be ruled out. Such a development would be likely to weigh significantly on the profitability of banks, as was the case during the recent long period of low interest rates. The relative impact on banks depends in particular on the proportion of revenues generated by net interest income; this proportion was 46% for BNP Paribas in 2021 (see the Consolidated Income Statement for the year 2021 - IFRS 5 Transition Table in chapter 3). During periods of low interest rates, interest rate spreads tend to tighten, and the BNP Paribas Group may be unable to lower interest rates on deposits sufficiently to offset reduced income from lending at lower interest rates. Net interest income amounted to EUR 21,312 million in 2020 and EUR 21,209 million in 2021 respectively. On an indicative basis, over one-, two- and three-year timeframes, the sensitivity of revenues at 31 December 2021 to a parallel, instantaneous and definitive increase in market rates of +50 basis points (+0.5%) across all currencies had an impact of +EUR 127 million, +EUR 537 million and +EUR 694 million, respectively, or +0.3%, +1.2% and +1.5% of the Group's net banking income. The negative interest rate environment in which banks are charged for cash deposited with central banks, whereas banks typically do not charge clients for deposits, weighs significantly on banks' margins. In addition, the

BNP Paribas Group has been facing and may continue to face an increase in early repayment and refinancing of mortgages and other fixed-rate consumer and corporate loans as clients take advantage of relatively low borrowing costs. This, along with the issuance of new loans at the low prevailing market interest rates, has resulted and may continue to result in a decrease in the average interest rate of the BNP Paribas Group's portfolio of loans thereby causing a decline in its net interest income from lending activities. Moreover, an environment of persistently low interest rates can also have the effect of flattening the yield curve in the market more generally, which could reduce the premium generated by the BNP Paribas Group from its funding activities. A flattening yield curve can also influence financial institutions to engage in riskier activities in an effort to earn the desired level of returns, which can increase overall market risk and volatility. Low interest rates may also affect the profitability and even the solvency of the insurance activities of French banks, including the BNP Paribas Group, particularly due to the prevalence in the market of life insurance contracts backed by euro- denominated funds, which may not be able to generate sufficient returns to be competitive with other investment products. Low interest rates may also adversely affect commissions charged by the BNP Paribas Group's asset management subsidiaries on money market and other fixed-income products. A reduction in credit spreads and decline in Retail Banking income resulting from lower portfolio interest rates may adversely affect the profitability of the BNP Paribas Group's retail banking operations.

5.3 Given the global scope of its activities, the BNP Paribas Group is exposed to country risk and to changes in the political, macroeconomic or financial contexts of a region or country.

The BNP Paribas Group is subject to country risk, meaning the risk that economic, financial, political or social conditions in a given foreign country in which it operates could adversely affect the BNP Paribas Group's operations, or its results, or its financial condition, or its business. The BNP Paribas Group monitors country risk and takes it into account in the fair value adjustments and cost of risk recorded in its financial statements. However, a significant change in political or macroeconomic environments may require it to record additional charges or to incur losses beyond the amounts previously written down in its financial statements. In addition, factors specific to a country or region in which the BNP Paribas Group operates could make it difficult for it to carry out its business and lead to losses or impairment of assets.

At 31 December 2021, the BNP Paribas Group's loan portfolio consisted of receivables from borrowers located in France (32%), Belgium and Luxembourg (16%), Italy (9%), other European countries (19%), North America, including Bank of the West, (13%), Asia (6%) and the rest of the world (5%). Adverse conditions that particularly affect these countries and regions would have a significant impact on the BNP Paribas Group. In addition, the BNP Paribas Group has significant exposures in countries outside the OECD, which are subject to risks that include political instability, unpredictable regulation and taxation, expropriation and other risks that are less present in more developed economies.

In addition, the BNP Paribas Group is present in Ukraine, a country invaded in February 2022, through its subsidiary UkrSibbank in which it holds a 60% stake alongside the European Bank for Reconstruction and Development (40%). At 31 December 2021, UkrSibbank's balance sheet totalled approximately 0.08% of that of the BNP Paribas Group. The total equity of the subsidiary represented approximately 0.15% of consolidated equity of BNP Paribas Group share. At 31 December 2021, the BNP Paribas Group generated less than 0.5% of its pre-tax profit in Ukraine (see section 8.6 Information on locations and businesses in 2021 in chapter 8 General information). The BNP Paribas Group's total gross on- and off-balance sheet exposures to Ukraine (which are concentrated on UkrSibbank) represented less than 0.09% of the Group's gross exposures. The situation in Ukraine has profoundly changed the continuing operations of local banks, which—since February 24, 2022—are focused on the provision of payment instruments and services critical to the economy within the framework of the new regulations introduced by the central bank. In this context, the BNP Paribas Group has estimated that as of March 31, 2022, it exerts significant influence over the entity within the meaning of the applicable accounting standards. Consequently, in accordance with applicable accounting standards, the BNP Paribas Group has recorded, as of March 31, 2022, a 90% impairment of its shares amounting to EUR -159 million, as well as a loss of EUR 274 million relating to the recycling of the conversion reserve.

With regard to Russia, which is subject to severe economic sanctions imposed notably by the European Union, USA and UK, gross on- and off- balance sheet exposures represented less than 0.07% of the BNP Paribas Group's gross exposures. The amount of net residual exposures, both in Russia and Ukraine, is more limited given the way in which the Bank operates in these two markets and how it secures its activities, with guarantees and collateral. In addition, various customers or counterparties of the BNP Paribas Group, in particular financial institutions and corporates, conduct business in these countries or have exposure to borrowers in these countries or have significant suppliers in those countries and could see their financial position weakened by the conflict and its consequences, particularly due to the cessation of their business in Ukraine and/or Russia or the reduction or termination (voluntarily, or involuntarily) of their supplies from these countries. The Group is diligently monitoring developments in the situation in conjunction with the authorities concerned and, in particular, the reactions of the international community with regard to economic sanctions.

6. REGULATORY RISKS

6.1 Laws and regulations adopted in recent years, as well as current and future legislative and regulatory developments, may significantly impact the BNP Paribas Group and the financial and economic environment in which it operates.

Laws and regulations have been enacted in the past few years, in particular in France, Europe and the United States, with a view to introducing a number of changes, some permanent, in the financial environment. The impact of the measures has changed substantially the environment in which the BNP Paribas Group and other financial institutions operate.

The measures that have been adopted include:

- more stringent capital and liquidity requirements (particularly for global systemically important banks such as the BNP Paribas Group), as well as changes to the risk-weighting methodologies and the methods of using internal models that have led, could have led, or could lead to increased capital requirements;
- restrictions on certain types of activities considered as speculative undertaken by commercial banks that are prohibited or need to be ring-fenced in subsidiaries (particularly proprietary trading) and are subject to prudential requirements and autonomous funding;
- prohibitions or restrictions on fees for certain types of financial products or activities;
- enhanced recovery and resolution regimes, in particular the Bank Recovery and Resolution Directive of 15 May 2014 (the “BRRD”), as amended from time to time, which strengthens powers to prevent and resolve banking crises in order to ensure that losses are borne largely by the creditors and shareholders of the banks and in order to keep the costs incurred by taxpayers to a minimum;
- the establishment of the national resolution funds by the BRRD and the creation of the Single Resolution Board (the SRB) by the European Parliament and Council of the European Union in a resolution dated 15 July 2014 (the SRM Regulation), as amended from time to time, which can initiate resolution proceedings for banking institutions such as the BNP Paribas Group, and the Single Resolution Fund (the SRF), the financing of which by the BNP Paribas Group (up to its annual contribution) can be significant;
- the establishment of national deposit guarantee schemes and a proposed European deposit guarantee scheme or deposit insurance which will gradually cover all or part of the guarantee schemes of participating countries;
- increased internal control and reporting requirements with respect to certain activities;
- the implementation of regulatory stress tests (including in relation to climate change risk) which could lead to additional regulatory capital requirements (see Market Risk Stress Testing Framework in section 5.7 Market risk of the 2021 Universal registration document);
- greater powers granted to the relevant authorities to combat money laundering and terrorism financing;
- more stringent governance and conduct of business rules and restrictions and increased taxes on employee compensation over specified levels;
- measures to improve the transparency, efficiency and integrity of financial markets and in particular the regulation of high frequency trading, more extensive market abuse regulations, increased regulation of certain types of financial products including mandatory reporting of derivative and securities financing transactions, requirements either to mandatorily clear, or otherwise mitigate risks in relation to, over-the-counter derivative transactions (including through posting of collateral in respect of non-centrally cleared derivatives);
- the taxation of financial transactions;
- enhanced protection of personal data and cybersecurity requirements;
- enhanced disclosure requirements, including through the introduction of new disclosure requirements on (i) how banking groups providing asset management services such as the BNP Paribas Group integrate sustainability risks or negative impacts, sustainable investment objectives or the promotion of environmental or social attributes when making investment decisions, and (ii) how and to what extent banking groups themselves finance or develop economic activities that can be considered environmentally sustainable as defined in the European Taxonomy;
- the introduction of new requirements for the integration of climate risk into the risk measurement and management systems of banking groups, including through the publication of proposals for banks to manage and disclose climate risk; and
- strengthening the powers of supervisory bodies, such as the French Prudential Supervision and Resolution Authority (the “ACPR”) and the creation of new authorities, including the adoption of the Single Resolution Mechanism (the SRM) in October 2013, pursuant to which the BNP Paribas Group is under the direct supervision of the ECB.

These measures may have a significant adverse impact. For example, the introduction of a required contribution to the Single Resolution Fund resulted in a substantial additional expense for the BNP Paribas Group (the Group made a EUR 967 million contribution to the Single Resolution Fund in 2021).

Measures relating to the banking sector could be further amended, expanded or strengthened. Moreover, additional measures could be adopted in other areas. It is impossible to predict what additional measures will be adopted or what their exact content will be, and, given the complexity of the issues and the uncertainty surrounding them, to determine their impact on the BNP Paribas Group. The effect of these measures, whether already adopted or that may be adopted in the future, has been and could continue to be a decrease in the BNP Paribas Group's ability to allocate its capital and capital resources to financing, limit its ability to diversify risks, reduce the availability of certain financing and liquidity resources, increase the cost of financing, increase the cost of compliance, increase the cost or reduce the demand for the products and services offered by the BNP Paribas Group, require the BNP Paribas Group to proceed with internal reorganisations, structural changes or reallocations, affect the ability of the BNP Paribas Group to carry on certain activities or to attract and/or retain talent and, more generally, affect its competitiveness and profitability, which could have an impact on its activities, financial condition and operating results. As a recent example on 27 October 2021, the European Commission presented a legislative package to finalise the implementation within the European Union of the Basel III agreement adopted by the Group of Central Governors and Heads of Supervision (GHOS) on 7 December 2017. This legislative package will in the next stage be discussed by the European Parliament and Council with a view to agreeing on a final text. In the impact assessment accompanying the legislative package, the European Commission estimated, on the basis of an EBA impact study dated December 2020 and of additional European Commission estimates for some EU specific adjustments, that the implementation of the final Basel III standards may result in an average increase in total minimum capital requirements ranging between 6.4% and 8.4% after full implementation of the reform. On the basis of the EBA's updated impact analysis taking into account the combined effect of the reform and the potential consequences of the health crisis, the European Commission opted to apply the new capital requirements to EU banks as from 1 January 2025, with a phase-in period during which the requirements will be gradually increased through 2030 (and 2032 for certain requirements). On this basis, the Group has indicated a potential increase of 8% in its risk-weighted assets at the date of the first application announced for 1 January 2025, which implies a potential 8% increase in total minimum capital requirements resulting from the finalisation of Basel 3 (fully loaded). This estimate is subject to change depending on potential changes in the draft text, in the Group and the macroeconomic context.

The BNP Paribas Group is subject to extensive and evolving regulatory regimes in the jurisdictions in which it operates. The BNP Paribas Group faces the risk of changes in legislation or regulation in all of the countries in which it operates, including, but not limited to, the following: monetary, liquidity, interest rate and other policies of central banks and regulatory authorities; changes in government or regulatory policy that may significantly influence investor decisions, in particular in the markets in which the BNP Paribas Group operates; changes in regulatory requirements applicable to the financial industry, such as rules relating to applicable governance, remunerations, capital adequacy and liquidity frameworks, restrictions on activities considered as speculative and recovery and resolution frameworks; changes in securities regulations as well as in financial reporting, disclosure and market abuse regulations; changes in the regulation of certain types of transactions and investments, such as derivatives and securities financing transactions and money market funds; changes in the regulation of market infrastructures, such as trading venues, central counterparties, central securities depositories, and payment and settlement systems; changes in the regulation of payment services, crowdfunding and fintech; changes in the regulation of protection of personal data and cybersecurity; changes in tax legislation or the application thereof; changes in accounting norms; changes in rules and procedures relating to internal controls, risk management and compliance; and expropriation, nationalisation, price controls, exchange controls, confiscation of assets and changes in legislation relating to foreign ownership.

These changes, the scope and implications of which are highly unpredictable, could substantially affect the BNP Paribas Group and have an adverse effect on its business, financial condition and results of operations. Certain reforms not directed specifically at financial institutions, such as measures relating to the funds industry or promoting technological innovation (such as open data projects), could facilitate the entry of new players in the financial services sector or otherwise affect the BNP Paribas Group's business model, competitiveness and profitability, which could in turn affect its financial condition and results of operations.

Finally, the regulatory accommodations implemented temporarily by national and European regulatory authorities in the context of the health crisis have either lapsed or are expected to lapse gradually, although their remaining course is not currently certain (see section 7.1 Epidemics and pandemics, including the ongoing coronavirus (Covid-19) pandemic and their economic consequences may adversely affect the Group's business, operations, results and financial condition).

6.2 The BNP Paribas Group may incur substantial fines and other administrative and criminal penalties for non-compliance with applicable laws and regulations, and may also incur losses in related (or unrelated) litigation with private parties.

The BNP Paribas Group is exposed to regulatory compliance risk, i.e. the failure to comply fully with the laws, regulations, codes of conduct, professional norms or recommendations applicable to the financial services industry. This risk is exacerbated by the adoption by different countries of multiple and occasionally diverging and even conflicting legal or regulatory requirements. Besides damage to the BNP Paribas Group's reputation and private rights of action (including class actions), non-compliance could lead to material legal proceedings, fines and expenses (including fines and expenses in excess of recorded provisions), public reprimand, enforced suspension of operations or, in extreme cases, withdrawal by the authorities of operating licenses. This risk is further exacerbated by continuously increasing regulatory scrutiny of financial institutions as well as substantial increases in the quantum of applicable fines and penalties. Moreover, litigation by private parties against financial institutions has substantially increased in recent years. Accordingly, the BNP Paribas Group faces significant legal risk in its operations, and the volume and amount of damages claimed in litigation, regulatory proceedings and other adversarial proceedings against financial services firms have substantially increased in recent years and may increase further. The BNP Paribas Group may record provisions in this respect as indicated in note 4.p to the consolidated financial statements (Provisions for contingencies and charges).

In this respect, on 30 June 2014 the BNP Paribas Group entered into a series of agreements with, and was the subject of several orders issued by, US federal and New York state government agencies and regulatory authorities in settlement of investigations into violations of US laws and regulations regarding economic sanctions. The fines and penalties imposed on the BNP Paribas Group as part of this settlement included, among other things, the payment of monetary penalties amounting in the aggregate to USD 8.97 billion (EUR 6.6 billion) and guilty pleas by BNP Paribas SA, the parent company of the BNP Paribas Group, to charges of having violated US federal criminal law and New York State criminal law. Following this settlement, the BNP Paribas Group remains subject to increased scrutiny by regulatory authorities (including via the presence of an independent consultant within the BNP Paribas Group) who are monitoring its compliance with a remediation plan agreed with them.
The BNP Paribas Group is currently involved in various litigations and investigations as summarised in note 6.b Legal proceedings and arbitration to its consolidated financial statements for the first half of 2022. It may become involved in further such matters at any point. No assurance can be given that an adverse outcome in one or more of such matters would not have a material adverse effect on the BNP Paribas Group's operating results for any particular period.

6.3 The BNP Paribas Group could experience an unfavourable change in circumstances, causing it to become subject to a resolution proceeding: BNP Paribas Group security holders could suffer losses as a result.

The BRRD, SRM Regulation and the Ordinance of 20 August 2015, as amended from time to time, confer upon the ACPR or the SRB the power to commence resolution proceedings for a banking institution, such as the BNP Paribas Group, with a view to ensure the continuity of critical functions, to avoid the risks of contagion and to recapitalise or restore the viability of the institution. These powers are to be implemented so that, subject to certain exceptions, losses are borne first by shareholders, then by holders of additional capital instruments qualifying as Tier 1 and Tier 2 (such as subordinated bonds), then by the holders of non- preferred senior debt and finally by the holders of senior preferred debt, all in accordance with the order of their claims in normal insolvency proceedings. For reference, the BNP Paribas Group's medium- to long-term wholesale financing at 31 December 2021 consisted of the following: EUR 10 billion in hybrid Tier 1 debt, EUR 23 billion in Tier 2 subordinated debt, EUR 70 billion in senior unsecured non-preferred debt, EUR 69 billion in senior unsecured preferred debt and EUR 17 billion in senior secured debt.
Resolution authorities have broad powers to implement resolution measures with respect to institutions and groups subject to resolution proceedings, which may include (without limitation): the total or partial sale of the institution's business to a third party or a bridge institution, the separation of assets, the replacement or substitution of the institution as obligor in respect of debt instruments, the full or partial write-down of capital instruments, the dilution of capital instruments through the issuance of new equity, the full or partial write-down or conversion into equity of debt instruments, modifications to the terms of debt instruments (including altering the maturity and/or the amount of interest payable and/or imposing a temporary suspension on payments), discontinuing the listing and admission to trading of financial instruments, the dismissal of managers or the appointment of a special manager (administrateur spécial).

Certain powers, including the full or partial write-down of capital instruments, the dilution of capital instruments through the issuance of new equity, the full or partial write-down or conversion into equity of additional capital instruments qualifying as Tier 1 and Tier 2 (such as subordinated bonds), can also be exercised as a precautionary measure, outside of resolution proceedings and/or pursuant to the European Commission's State Aid framework if the institution requires exceptional public financial support.

The implementation of these tools and powers with respect to the BNP Paribas Group may result in significant structural changes to the BNP Paribas Group (including as a result of asset or business sales or the creation of bridge institutions) and in a partial or total write-down, modification or variation of claims of shareholders and creditors. Such powers may also result, after any transfer of all or part of the BNP Paribas Group's business or separation of any of its assets, in the holders of securities (even in the absence of any such write-down or conversion) being left as the creditors of the BNP Paribas Group whose remaining business or assets are insufficient to support the claims of all or any of the creditors of the Group.

7. RISKS RELATED TO THE BNP PARIBAS GROUP'S GROWTH IN ITS CURRENT ENVIRONMENT

7.1 Epidemics and pandemics, including the ongoing coronavirus (Covid-19) pandemic, and their economic consequences may adversely affect the Group's business, operations, results and financial condition.

A global pandemic linked to a novel strain of coronavirus (Covid-19) has severely disrupted economies and financial markets worldwide since 2020. The introduction of lockdown measures and other restrictions initially caused economies in many regions to contract, trade to decline, production capacity to decrease, growth forecasts to be cut and supply chains to be disrupted. In a second phase, the roll-out of vaccination campaigns and the adaptation of economic actors allowed the gradual adaptation of these measures and restrictions, leading to a recovery in economic activity. As a result, various growth forecasts converge on a strong economic recovery.

Nevertheless, uncertainties remain as to the strength and sustainability of the recovery of the public health situation (e.g., the appearance of new strains of the virus, and the reaction to the containment measures adopted by some Asian countries in the first half of 2022) which could lead to a further deterioration of the situation. Various complicating factors will continue to affect the trajectory of economic recovery. International supply chains – which had been strained severely by the pandemic – related mobility restrictions – remain heavily disrupted, generating shortages of certain consumer goods (such as a dearth of semiconductors causing delays in the production of telephones and automobiles) and oil and gas supply and labour market constraints, having both specific (e.g. raw materials price increases) and general (i.e. inflation rate) effects on prices.

Further, while various governments and central banks implemented and supplemented measures to support the economy and its recovery – in order to mitigate the adverse economic and market consequences of the pandemic – there can be no assurance that such measures will suffice to redress the pandemic's negative impact on the regional or global economy over time, entirely compensate for or mitigate regional or global recessions (which occurred and could recur), or fully and over time prevent possible disruptions to the financial markets. The lifting of government support measures could also harm economic activity and the financial strength of economic actors. Overall, the crisis has impacted and may continue to impact the economies of the principal countries where the BNP Paribas Group operates, particularly its Domestic Markets (France, Italy, Belgium and Luxembourg), which collectively represented 57% of its total gross credit exposures as of 31 December 2021. The Group's results and financial condition have been and could continue to be adversely impacted by the effects of the crisis related to the pandemic and the resulting disruption of economic activity in the Group's principal markets. In particular, the crisis significantly affected the Group's cost of risk in 2020, reflecting macroeconomic projections based on various scenarios applying the framework in place prior to the crisis. Under this framework, macroeconomic projections – specifically GDP estimates and forecasts – are key to calculating the cost of risk, and the consequences of the health crisis included a decrease in GDP growth estimates for many of the Group's markets. The cost of risk calculation also takes into account the specific dynamics of the crisis in 2020, along with anticipated future impacts on credit and counterparty risk, including the consequences of lockdown measures on economic activity and the impact of government support measures and decisions. These factors contributed to the substantial increase in the Group's cost of risk in 2020 (66 basis points). The 2021 financial year showed an improvement with an increase in revenues of 4.4% to EUR 46,235 million and an increase in net income attributable to the Group, due to the increase in Domestic Markets revenues (+5.2% compared to 2020) with the rebound of the economy and the resilience of CIB revenues (+3.4% compared to 2020), but also by the decrease in the cost of risk (-48.8% compared to 2020), particularly in connection with improving economic forecasts. Nevertheless, revenues in the International Financial Services businesses remain impacted by the consequences of the health crisis (-1.2% compared 2020). However, developments in the current health crisis and market conditions have characteristics that could increase the probability and magnitude of various existing risks faced by the Group such as: i) pressure on revenues due in particular to (a) the consequences of the low interest rate environment of the last few years (even if this is gradually being reversed) and (b) lower revenues from fees and commissions; ii) renewed heightened risk linked to a an economic slowdown due to inflationary pressures (energy prices, labour market tensions), supply chain disruption or withdrawal of government support measures; iii) risk of financial market disruption in the event of poorly anticipated changes in monetary policies and iv) higher risk-weighted assets due to the deterioration of risk parameters, hence affecting the Group's capital position.

The Group's results and financial condition could also be harmed by negative trends in the financial markets, to the extent that the pandemic initially caused extreme market conditions (volatility spikes, a sharp drop in equity markets, tensions on spreads, specific asset markets on hold, etc.). Uncertainties about the scope and durability of the economic recovery, the easing or strengthening of government support measures, and the pressures linked to supply chains and raw material procurement have generated and could generate unfavourable market conditions. Thus, unfavourable market conditions have had and could have an adverse impact on the Group's market activities, which accounted for 14.8% of its consolidated revenues in 2021, resulting in trading or other market- related losses, as seen in 2020, following restrictions implemented on short-selling and dividend distributions (notably EUR 184 million in the first quarter of 2020 related to the European authorities' restrictions on 2019 dividends). Further, certain of the Group's investment portfolios (for example, in its insurance subsidiaries) are accounted for on a mark-to-market basis and were impacted by adverse market conditions, particularly in the second quarter of 2020 and could continue to be impacted again in the future.

The extent to which the short, medium and long-term economic consequences of the pandemic will continue to affect the Group's results and financial condition will indeed depend largely on i) the intensity and duration of restrictive measures that have been put in place or their periodic reintroduction, depending on the evolution of the health situation, ii) the timing and extent of a return to pre-pandemic lifestyles, business operations and economic interactions, iii) the effects of the measures taken to date or future measures that may be taken by governments and central banks to attenuate the economic fallout of the pandemic or the terms and conditions for lifting these measures and iv) the duration and extent of the pandemic's remaining course, including the prospect of new waves or the appearance of new strains of the virus and, consequently, a reinstatement or strengthening of lockdown measures or other restrictions, such as in relation to travel, in the Group's various markets, as well as the pace and mechanisms of deployment of immunisation programmes. In addition, while the actions of European Union and member states' authorities (in particular, central banks and governments) in response to the pandemic have to date helped and may well continue to help attenuate its adverse economic and market consequences, the authorities have also issued and may continue to issue additional restrictions or recommendations in respect of banks' actions. In particular, in 2020 and 2021 they limited banks' flexibility in managing their business and taking action in relation to capital distribution, capital allocation and compensation policies.

Due to the unprecedented environment generated by the Covid-19 crisis, various pandemic-related uncertainties around public health, society and the economy, persist. The consequences for the Group will depend on the duration of the impact of the crisis, the measures taken by governments and central banks, and the ability of society to recover, and are therefore difficult to predict.

7.2 Should the BNP Paribas Group fail to implement its strategic objectives or to achieve its published financial objectives, or should its results not follow stated expected trends, the trading price of its securities could be adversely affected.

In connection with its annual results announced on 8 February 2022, the BNP Paribas Group announced a strategic plan for the 2022-2025 period. The plan includes financial and operational objectives, on a constant scope basis, as well as the expected impact of the redeployment of proceeds from the sale of Bank of the West, after adjusting for the dilution effect of the disposal on the Group's results. The BNP Paribas Group's actual results could vary significantly from these trends for a number of reasons, including the occurrence of one or more of the risk factors described elsewhere in this section, in particular as a result of the consequences of the health crisis which have had and could continue to have major repercussions on the economic outlook and cause financial market disruptions. If the BNP Paribas Group's results do not follow these trends, its financial condition and the value of its securities, as well as its financing costs, could be affected.

Additionally, the Group is pursuing an ambitious corporate social responsibility (CSR) policy and is committed to making a positive impact on society with concrete achievements. In 2021, BNP Paribas strengthened its commitment to a sustainable economy and accelerated decarbonisation strategies, with the signing of the Net Zero Banking Alliance, the Net Zero Asset Owner Alliance, and the Net Zero Asset Manager initiative. The Group is thus taking strong positions, as a founding member of the United Nations Principles for Responsible Banking, which commits it to align its strategy with the Paris Agreement and the Sustainable Development Goals (SDGs). As part of the Group's 2022-2025 strategic plan, it aims to mobilise EUR 350 billion in ESG- related loans and bond issuances (loans to companies, institutionals and individuals covering environmental and social issues and annual sustainable bonds issuances) and to have EUR 300 billion in sustainable responsible investments under management by 2025 (BNP Paribas Asset Management European open funds classified open Articles 8 and 9 as defined by SFDR). If the Group fails to meet these targets, which depend in part on factors beyond its control, its reputation could be harmed.

7.3 The BNP Paribas Group may experience difficulties integrating businesses following acquisition transactions and may be unable to realise the benefits expected from such transactions.

The BNP Paribas Group engages in acquisition and combination transactions on a regular basis. The BNP Paribas Group's most recent major such transactions were the integration of the Group's Prime Services and Electronic Equities platform of Deutsche Bank in 2019, the acquisition of 100% of Exane, previously 50% owned by BNP Paribas, finalised on 13 July 2021, and the acquisition of 100% of Floa, a subsidiary of Casino and Crédit Mutuel Alliance Fédérale (via the Banque Fédérative du Crédit Mutuel – BFCM) and one of the French leaders in innovative payments, finalised on 1 February 2022. These operational integration activities resulted, in 2021, in restructuring costs of EUR 164 million. Successful integration and the realisation of synergies require, among other things, proper coordination of business development and marketing efforts, retention of key members of management, policies for effective recruitment and training as well as the ability to adapt information and computer systems. Any difficulties encountered in combining operations could result in higher integration costs and lower savings or revenues than expected. There will accordingly be uncertainty as to the extent to which anticipated synergies will be achieved and the timing of their realisation. Moreover, the integration of the BNP Paribas Group's existing operations with those of the acquired operations could interfere with its respective businesses and divert management's attention from other aspects of the BNP Paribas Group's business, which could have a negative impact on the BNP Paribas Group's business and results. In some cases, moreover, disputes relating to acquisitions may have an adverse impact on the integration process or have other adverse consequences, including financial ones.

Although the BNP Paribas Group undertakes an in-depth analysis of the companies it plans to acquire, such analyses often cannot be complete or exhaustive. In the event that the BNP Paribas Group is unable to conduct comprehensive due diligence prior to an acquisition, it may acquire doubtful or troubled assets or businesses that may be unprofitable or have certain potential risks that only materialise after the acquisition, The acquisition of an unprofitable business or a business with materialised risks may have a significant adverse effect on the BNP Paribas Group's overall profitability and may increase its liabilities.

7.4 The BNP Paribas Group's current environment may be affected by the intense competition amongst banking and non-banking operators, which could adversely affect the BNP Paribas Group's revenues and profitability.

Competition is intense in all of the BNP Paribas Group's primary business areas in France and the other countries in which it conducts a substantial portion of its business, including other European countries and the United States. Competition in the banking industry could intensify as a result of consolidation in the financial services area, as a result of the presence of new players in the payment and the financing services area or the development of crowdfunding platforms, as well as the continuing evolution of consumer habits in the banking sector. While the BNP Paribas Group has launched initiatives in these areas, such as the debut of Hello bank! and its acquisition of Nickel or Floa, competitors subject to less extensive regulatory requirements or to less strict capital requirements (e.g. debt funds, shadow banks), or benefiting from economies of scale, data synergies, technological innovation (e.g. internet and mobile operators, digital platforms, fintechs), or free access to customer financial data could be more competitive by offering lower prices and more innovative services to address the new needs of consumers. New technologies that facilitate or transform transaction processes and payment systems, such as blockchain technologies and related services, or that could significantly impact the fundamental mechanisms of the banking system, such as central bank digital currencies, have been developed in recent years or could be developed in the near future. While it is difficult to predict the effects of these developments and the regulations that apply to them, the use of such technology could nevertheless reduce the market share of banks, including the BNP Paribas Group, secure investments that otherwise would have used technology used by more established financial institutions, such as the BNP Paribas Group or, more broadly, lead to the emergence of a different monetary system in which the attractiveness of using established financial institutions such as the BNP Paribas Group would be affected. If such developments continue to gain momentum, particularly with the support of governments and central banks, if the BNP Paribas Group is unable to respond to the competitive environment in France or in its other major markets by offering more attractive, innovative and profitable product and service solutions than those offered by current competitors or new entrants or if some of these activities were to be carried out by institutions other than banks, it may lose market share in key areas of its business or incur losses on some or all of its activities. In addition, downturns in the economies of its principal markets could add to the competitive pressure, through, for example, increased price pressure and lower business volumes for the BNP Paribas Group and its competitors. It is also possible that the imposition of more stringent requirements (particularly capital requirements and business restrictions) on large or systemically significant financial institutions that new players may not be subject to could lead to distortions in competition in a manner adverse to large private-sector institutions such as the BNP Paribas Group.

7.5 The BNP Paribas Group could experience business disruption and losses due to climate change risks such as transition risks, physical risks or liability risks.

The BNP Paribas Group is exposed to risks related to climate change, either directly through its own operations or indirectly through its financing and investment activities. There are two main types of risks related to climate change: (i) transition risks, which result from changes in the behaviour of economic and financial actors in response to the implementation of energy policies or technological changes; (ii) physical risks, which result from the direct impact of climate change on people and property through extreme weather events or long-term risks such as rising water levels or increasing temperatures. In addition, liability risks may arise from both categories of risk. They correspond to the damages that a legal entity would have to pay if it were found to be responsible for global warming. BNP Paribas is progressively integrating the assessment of these risks into its risk management system. The Group monitors these risks in the conduct of its business, in the conduct of its counterparties' business, and in its investments on its own behalf and on behalf of third parties. In this respect, the specific credit policies and the General Credit Policy have been enhanced since 2012 and 2014, respectively, with the addition of relevant clauses in terms of social and environmental responsibility. In addition, the development of regulatory requirements in this area could lead to an increase in the litigation financial institutions face in connection with climate change and other related issues. The Group could thus be held liable for failures in the execution of some of its operations, for example in the event of its inadequate assessment of the environmental, social and governance criteria of certain financial products.

In addition, sector- specific policies and policies excluding certain environmental, social and governance (ESG) sectors from financing have also been put in place. In 2019, as part of the fight against climate change, the BNP Paribas Group made new commitments to reduce its exposure to thermal coal to zero by 2030 in the OECD and by 2040 for the rest of the world.

The Group is thus taking strong positions, as a founding member of the United Nations Principles for Responsible Banking, which commits it to aligning its strategy with the Paris Agreement and the Sustainable Development Goals (SDGs). As part of the Group's 2022-2025 strategic plan, it aims to mobilise EUR 350 billion in ESG-related loans and bond issuances (loans to companies, institutionals and individuals covering environmental and social issues and annual sustainable bonds issuances) and to have EUR 300 billion in sustainable responsible investments under management by 2025 (BNP Paribas Asset Management European open funds classified in Articles 8 and 9 as defined by SFDR). By the end of 2015, BNP Paribas had already significantly strengthened its criteria for financing and investing in the coal sector, and in 2017, it was the first bank to announce the cessation of its financing activities for companies that derive most of their revenues from non-conventional hydrocarbons, measures that remain to date among the most advanced in the sector. These decisions are also reflected in the energy mix that the BNP Paribas Group finances. In 2022, the BNPP Paribas Group published its first climate alignment report and its targets for reducing carbon emission intensity by 2025. The BNP Paribas Group also supports its clients, both individuals and businesses, in their transition to a low-carbon economy. The BNP Paribas Group also aims to reduce the environmental footprint of its own operations. Despite the actions taken by the BNP Paribas Group to monitor risks and combat climate change, the physical, transitional or liability risks related to climate change, or any delay or failure to implement them, could have a material adverse effect on the Group's business or financial condition, and could result in litigation.

7.6 Changes in certain holdings in credit or financial institutions could have an impact on the BNP Paribas Group's financial position.

Certain classes of assets may carry a high risk-weight of 250%. These assets include: credit or financial institutions consolidated under the equity method within the prudential scope (excluding insurance); significant financial interest in credit or financial institutions in which the BNP Paribas Group holds a stake of more than 10%; and deferred tax assets that rely on future profitability and arise from temporary differences.

The risk-weighted assets carrying a risk-weight of 250% amounted to EUR 18 billion at 31 December 2021, or 2% of the total risk-weighted assets of the BNP Paribas Group. They amounted to EUR 20 billion, representing 3% of the BNP Paribas Group's total risk-weighted assets at June 30, 2022. If the BNP Paribas Group increases the amount of heavy risk-weighted assets (either by increasing the proportion of such heavy risk-weighted assets in its overall asset portfolio or due to an increase of the regulatory risk-weighting applicable to these assets), its capital adequacy ratios may be lowered.

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4. GENERAL INFORMATION

4.1 Appointement of EY as statutory auditors

The Board of Directors of BNP Paribas, meeting on 24 June 2022, decided to submit to the Annual General Meeting of shareholders of May 2024, which will approve the accounts of the 2023 financial year, the reappointment of Deloitte and the appointment of EY as statutory auditors for six-year terms, beginning 1 January 2024. It is on this date that the terms of Mazars and PwC will expire. In accordance with legal requirements, the two firms may no longer be reappointed. This decision came after a bidding process conducted under the supervision of the Financial Statements Committee. The committee made its selections independently and submitted the various choices possible to the Board of Directors before making its recommendation.

4.2 Ownership structure as at 30 June 2022

	31/12/2021			30/06/2022		
Shareholders	Number of shares *(in millions)*	% of share capital	% of voting rights	Number of shares *(in millions)*	% of share capital	% of voting rights
SFPI[1]	**96.55[2]**	**7.8%**	**7.8%**	**96.55[2]**	**7.8%**	**7.8%**
BlackRock Inc.	**74.96 [3]**	**6.1%**	**6.1%**	**72.50[4]**	**5.9%**	**5.9%**
Gd Duchy of Luxembourg	**12.87**	**1.0%**	**1.0%**	**12.87**	**1.0%**	**1.0%**
Employees	**51.32**	**4.2%**	**4.2%**	**53.46**	**4.3%**	**4.3%**
• of which Group FCPE[4]	39.18	3.2%	3.2%	41.30	3.3%	3.3%
• of which direct ownership	12.14	1.0[*]	1.0[*]	12.16	1.0[**]	1.0[**]
Corporate officers	**0.30**	**NS**	**NS**	**0.30**	**NS**	**NS**
Treasury Shares [5]	**1.28**	**0.1%**	**-**	**1.40**	**0.1%**	**-**
Retail shareholders	**48.75**	**4.0%**	**4.0%**	**48.75**	**4.0%**	**4.0%**
Institutional Investors	**910.74**	**73.8%**	**73.9%**	**915.69**	**74.2%**	**74.3%**
• European	511.62	41.4%	41.5%	540.12	43.8%	43.8%
• Non European	399.12	32.4%	32.4%	375.57	30.4%	30.5%
Other and unidentified	**37.56**	**3.0%**	**3.0%**	**32.81**	**2.7%**	**2.7%**
TOTAL	**1,234.33**	**100%**	**100%**	**1,234.33**	**100%**	**100%**

(1) Société de Participations et d'Investissement: a public-interest limited company (société anonyme) acting on behalf of the Belgian government.
(2) According to the statement by SFPI, AMF document #217C1156 dated 6 June 2017.
(3) According to the statement by BlackRock dated 21 April 2021.
(4) According to the statement by BlackRock dated 24 June 2022.
(5) The voting rights of the FCPE (profit-sharing scheme) are exercised, after the decision taken by the Supervisory Board, by its Chairman.
(6) Excluding trading desks' inventory positions
(*) Of which 0.5% for the shares referred to in article L.225-102 of the French Commercial Code to determine the threshold above which the appointment of a Director representing employee shareholders must be proposed.
(**) Of which 0.4% for the shares referred to in article L.225-102 of the French Commercial Code to determine the threshold above which the appointment of a Director representing employee shareholders must be proposed.

4.3 Amendment to Chapter 2 « Corporate Governance & Internal Control »

Presentation of Directors and Corporate Officers: new Directors and other Corporate Officer after the BNP Paribas General Shareholders Meeting the 17 May 2022

- New membership of the board of directors:

Lieve LOGGHE
Principal function : Chief Financial Officer of Euronav Group

Date of birth: 11 July 1968 *Nationality:* Belgium *Term start and end dates:* 17 May 2022 – 2025 AGM *Date first elected to the Board of directors:* 17 May 2022	**Offices(1) held in listed or unlisted companies of the BNP Paribas Group, in France or abroad** BNP Paribas(*), director **Other(1)** ODISEE, director and audit committee member TINCC BV, director
Number of BNP Paribas shares held(1): 1,000 *Business address :* De Gerlachekaai 20 2000, Antwerp Belgium	
Education Master's degree in Economics from University of Brussels Master's degree in Accounting from Vlerick School for Management Master's degree in Fiscal Sciences from EHSAL Management School	

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)

2021:
Director: ODISEE, TINCC BV

(1) At 29 July 2022.
(*) 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 the new directors to three years.

Directors	2023 (AGM called to approve the 2022 financial statements)	2024 (AGM called to approve the 2023 financial statements)	2025 (AGM called to approve the 2024 financial statements)
J. Lemierre	✓		
J.-L. Bonnafé			✓
J. Aschenbroich	✓		
J. Brisac		✓ (i)	
P.A. de Chalendar		✓	
M. Cohen	✓		
H. Epaillard		✓ (ii)	
R. Gibson-Brandon		✓	
M. Guillou			✓
L. Logghe			✓
C. Noyer		✓	
D. Schwarzer	✓		
M. Tilmant			✓
S. Verrier		✓ (iii)	
F. Wicker-Miurin	✓		

(i) Director representing employee shareholders.
(ii) Director elected by the 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).

4.4 Executive Committee

As at 29 July 2022, the BNP Paribas Executive Committee had the following members:

- **Jean-Laurent Bonnafé**, Director and Chief Executive Officer;
- **Yann Gérardin,** Chief Operating Officer in charge of Corporate & Institutional Banking;
- **Thierry Laborde**, Chief Operating Officer in charge of Commercial, Personal Banking & Services;
- **Laurent David**, Deputy Chief Operating Officer;
- **Renaud Dumora**, Deputy Chief Operating Officer in charge of Investment & Protection Services;
- **Marguerite Berard**, Head of Commercial & Personal Banking in France
- **Stefaan Decraene**, Head of International Retail Banking;
- **Charlotte Dennery**, Director and Chief Executive Officer of BNP Paribas Personal Finance;
- **Elena Goitini**, Chief Executive Officer of BNL;
- **Maxime Jadot**, Chief Executive Office and Chairman of the Executive Board of BNP Paribas Fortis;
- **Yannick Jung**, Head of Corporate & Institutional Banking Global Banking EMEA;
- **Pauline Leclerc-Glorieux**, Chief Executive Officer of BNP Paribas Cardif;
- **Olivier Osty**, Head of Corporate & Institutional Banking Global Markets;
- **Bernard Gavgani**, Chief Information Officer;
- **Nathalie Hartmann**, Head of Compliance;
- **Lars Machenil**, Chief Financial Officer;
- **Sofia Merlo**, Head of Human Resources;
- **Frank Roncey**, Chief Risk Officer;
- **Antoine Sire**, Head of Company Engagement.

The BNP Paribas Executive Committee has had a permanent Secretariat since November 2007.

4.5 Documents on display

This document is available on the website www.invest.bnpparibas.com and the Autorité des Marchés Financiers (AMF) website, www.amf-france.org.

Any person wishing to receive additional information about BNP Paribas Group can request documents, without commitment, as follows:

- **by writing to:**
  BNP Paribas – Finance & Strategy
  Investor Relations and Financial Information
  3, rue d'Antin – CAA01B1
  75002 Paris

- **by calling:** +33 (0)1 40 14 63 58

  BNP Paribas' regulated information can be viewed at: Search & Documents | Regulated information | Investors & Shareholders | BNP Paribas Bank

4.6 Significant changes

Save as disclosed in this Amendment to the 2021 Universal Registration Document, there have been no significant adverse change in the Group’s financial situation or financial performance since 30 June 2022, no material adverse change in the prospects of the Group since 29 July 2022.

To the best of the BNP Paribas’ knowledge, there have not been any recent events which are to a material extent relevant to the evaluation of BNP Paribas' solvency since 30 June 2022.

5. STATUTORY AUDITORS

Deloitte & Associés	PricewaterhouseCoopers Audit	Mazars
6, place de la Pyramide	**63, rue de Villiers**	**61, rue Henri Regnault**
92908 Paris-La Défense Cedex	**92208 Neuilly-sur-Seine Cedex**	**92400 Courbevoie**

- **Deloitte & Associés** was re-appointed as Statutory Auditor at the Annual General Meeting of 24 May 2018 for a six-year period expiring at the close of the Annual General Meeting called in 2024 to approve the financial statements for the year ending 31 December 2023. The firm was first appointed at the Annual General Meeting of 23 May 2006.
  Deloitte & Associés is represented by Laurence Dubois.

  Deputy: Société BEAS, 6, place de la Pyramide, 92908 Paris-La Défense (92)
  SIREN No. 315 172 445, Nanterre trade and companies register.

- **PricewaterhouseCoopers Audit** was re-appointed as Statutory Auditor at the Annual General Meeting of 24 May 2018 for a six-year period expiring at the close of the Annual General Meeting called in 2024 to approve the financial statements for the year ending 31 December 2023. The firm was first appointed at the Annual General Meeting of 26 May 1994.
  PricewaterhouseCoopers Audit is represented by Patrice Morot.

  Deputy: Jean-Baptiste Deschryver, 63, rue de Villiers, Neuilly-sur-Seine (92).

- **Mazars** was re-appointed as Statutory Auditor at the Annual General Meeting of 24 May 2018 for a six-year period expiring at the close of the Annual General Meeting called in 2024 to approve the financial statements for the year ending 31 December 2023. The firm was first appointed at the Annual General Meeting of 23 May 2000.
  Mazars is represented by Virginie Chauvin.

  Deputy: Charles de Boisriou, 61, rue Henri Regnault, Courbevoie (92).

Deloitte & Associés, PricewaterhouseCoopers and Mazars are registered as Statutory Auditors with the Versailles Regional Association of Statutory Auditors, under the authority of the French National Accounting Oversight Board "Haut Conseil du Commissariat aux Comptes".

6. PERSON RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT

Person responsible for the Universal Registration Document and its amendments

Jean-Laurent Bonnafé, Director and Chief Executive Officer of BNP Paribas

Statement by the person responsible for the universal registration document and its amendments

I hereby declare that the information contained in the English version on the 3rd amendment to the 2021 Universal Registration Document filed with the AMF on 29th July 2022 is in accordance with the facts and contains no omission likely to affect its import.

I hereby certify that, to my knowledge, that the half-year report from page to page provides a fair review of the development and performance of the business, profit or loss and financial position of the Company and all the entities included in the consolidation, and that it describes the principal risks and uncertainties that they face.

Paris, 29 July 2022,

Director and Chief Executive Officer

Jean-Laurent BONNAFÉ

7. TABLES OF CONCORDANCE

7.1 Sections of Annex of Regulation n°2017/1129

In order to assist readers of the Universal Registration Document, the following concordance cross-references the main headings required by Annex 1 of European Regulation 2017/1129 (Annex I), taken in application of the Directive known as “Prospectus 3” and refers to the pages of the 2020 Universal registration document and its amendments where information relating to each of the headings is mentioned.

Headings as listed by Annex I of European Commission Regulation (EC) No. 2017/1129	Third Amendment to the 2021 Universal Registration Document Page Number	Second Amendment to the 2021 Universal Registration Document Page Number	First Amendment to the 2021 Universal Registration Document Page Number	2021 Universal Registration Document Page Number
1. PERSONS RESPONSIBLE				
1.1. Person responsible for the Universal Registration Document	242	6	136	688
1.2. Statement of the person responsible for the Universal Registration Document	242	6	136	688
1.3. Statement or report attributed to a person as an expert				
1.4. Information from a third party				
1.5. Approval from a competent authority	2	2	2	1
2. STATUTORY AUDITORS	236; 241	5	135	686
3. RISK FACTORS	217-235		92-108	309-323
4. INFORMATION ABOUT THE ISSUER				4-6; 677; 695-698; 702
5. BUSINESS OVERVIEW				
5.1. Principal activities	3			7-18; 218-221; 670-676
5.2. Principal markets				7-18; 218-221; 670-676
5.3. History and development of the issuer				6
5.4. Strategy and objectives				157-160; 582-583; 630-640; 650-651
5.5. Possible dependency				668
5.6. Basis for any statements made by the issuer regarding its competitive position				7-18; 132-148
5.7. Investments				267; 570; 628-629; 669

Headings as listed by Annex I of European Commission Regulation (EC) No. 2017/1129	Third Amendment to the 2021 Universal Registration Document Page Number	Second Amendment to the 2021 Universal Registration Document Page Number	First Amendment to the 2021 Universal Registration Document Page Number	2021 Universal Registration Document Page Number
6. ORGANISATIONAL STRUCTURE				
6.1. Brief description	3			4; 650-651
6.2. List of significant subsidiaries	193-216			281-289; 562-569; 670-675
7. OPERATING AND FINANCIAL REVIEW				
7.1. Financial situation	4-79		3-74 ;77-78	160; 180; 182; 532-533
7.2. Operating results	67-79		63-74	132-148; 155-156; 163-169; 180; 219; 532
8. CAPITAL RESOURCES				
8.1. Issuer's capital resources	58-59; 89; 91-92; 178-181		57; 78; 80-91	184-185; 557
8.2. Sources and amounts of cash flows	90			183
8.3. Borrowing requirements and funding structure	16; 24		18	160; 482-498
8.4. Information regarding any restrictions on the use of capital resources that have materially affected, or could materially affect, the issuer's operations.				N/A
8.5. Anticipated sources of funds				N/A
9. REGULATORY ENVIRONMENT				299; 306-308
10. TREND INFORMATION				157-160; 669
10.1. Main recent trends			110	157-160; 669
10.2. Trends likely to have a material impact on the issuer's outlook			110	157-160; 669
11. PROFIT FORECASTS OR ESTIMATES				
11.1. Published earnings forecasts and estimates	N/A	N/A	N/A	N/A
11.2. Statement on the main forecast assumptions	N/A	N/A	N/A	N/A
11.3. Statement on the comparability of information	N/A	N/A	N/A	N/A

Headings as listed by Annex I of European Commission Regulation (EC) No. 2017/1129	Third Amendment to the 2021 Universal Registration Document Page Number	Second Amendment to the 2021 Universal Registration Document Page Number	First Amendment to the 2021 Universal Registration Document Page Number	2021 Universal Registration Document Page Number
12. ADMINISTRATIVE, MANAGEMENT, AND SUPERVISORY BODIES, AND SENIOR MANAGEMENT				
12.1. Administrative and management bodies	237-239			35-50; 114
12.2. Administrative and management bodies' conflicts of interest				55-56; 70-71; 81-110
13. REMUNERATION AND BENEFITS				
13.1. Amount of remuneration paid and benefits in kind granted			112-132	81-110; 257-264; 277
13.2. Total amounts set aside or accrued by the issuer or its subsidiaries to provide pension, retirement, or similar benefits			112-132	81-110; 257-264; 277
14. BOARD PRACTICES				
14.1. Date of expiry of the current terms of office	237-238			35-48
14.2. Information about members of the administrative bodies' service contracts with the issuer				N/A
14.3. Information about the Audit Committee and Remuneration Committee				58-66
14.4. Corporate governance regime in force in the issuer's country of incorporation				51-58
14.5. Potential material impacts on the Corporate governance				35-48
15. EMPLOYEES				
15.1. Number of employees	3			4; 614-615; 650; 695
15.2. Shareholdings and stock options				81-110; 204-205; 612-613
15.3. Description of any arrangements for involving the employees in the capital of the issuer				
16. MAJOR SHAREHOLDERS				
16.1. Shareholders owning more than 5% of the issuer's capital or voting rights	236			19-20
16.2. Existence of different voting rights				19
16.3. Control of the issuer				19-20

Headings as listed by Annex I of European Commission Regulation (EC) No. 2017/1129	Third Amendment to the 2021 Universal Registration Document Page Number	Second Amendment to the 2021 Universal Registration Document Page Number	First Amendment to the 2021 Universal Registration Document Page Number	2021 Universal Registration Document Page Number
16.4. Description of any arrangements, known to the issuer, the operation of which may at a subsequent date result in a change of control of the issuer				20
17. RELATED PARTY TRANSACTIONS				81-110; 278-279; 682-683
18. FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION, AND PROFITS AND LOSSES				
18.1. Historical financial information	4-79; 83-216		63-74 ; 77-78	5; 23; 132-290 532-570
18.2. Interim and other financial information	4-79; 83-216		63-74 ; 77-78	N/A
18.3. Auditing of historical annual financial information				291-296; 571-576
18.4. *Pro forma* financial information				N/A
18.5. Dividend policy	20			23; 26-27; 133 158; 160; 560
18.6. Legal and arbitration proceedings	182-183		110-111	266-267
18.7. Significant change in the issuer's financial or trading position	240		110	669
19. ADDITIONAL INFORMATION				
19.1. Share capital	178			19; 264-266; 551-553; 677; 702
19.2. Memorandum and Articles of association				677-682
20. MATERIAL CONTRACTS				668
21. DOCUMENTS ON DISPLAY	239	4	110	668

Headings as listed by Annex I of European Commission Regulation (EC) No.2017/1129

Pursuant to Annex I of Regulation (EU) 2017/1129, the following items are incorporated by reference:

- The consolidated financial statements for the year ended 31 December 2020 and the Statutory Auditors' report on the consolidated financial statements at 31 December 2020, presented respectively on pages 161 to 271 and 272 to 277 of Registration Document No. D.21-0886 filed with the AMF on 2 March 2021. The information is available via the following link:

  universal-registration-document-and-annual-financial-report-2020 (invest.bnpparibas)

- The consolidated financial statements for the year ended 31 December 2019 and the Statutory Auditors' report on the consolidated financial statements at 31 December 2019, presented respectively on pages 149 to 258 and 259 to 264 of Registration Document No. D.20-0097 filed with the AMF on 3 March 2020.The information is available via the following link:

  universal-registration-document-and-annual-financial-report-2019 (invest.bnpparibas)

- The consolidated financial statements for the year ended 31 December 2018 and the Statutory Auditors' report on the consolidated financial statements at 31 December 2018, presented respectively on pages 149 to 269 and 270 to 276 of Registration Document No. D.19-0114 filed with the AMF on 5 March 2019. The information is available via the following link:

  BNP2018_DRF_EN_V6.indb (invest.bnpparibas)

In order to assist readers of the annual financial report, the following table cross-references the information required by article L.451-1-2 of the French Monetary and Financial Code.

	Annual financial report 2021 Page Number
Statement by the person responsible for the Document	688

7.2 Annual Financial Report

The concordance table below makes it possible to identify in this Universel Registration Document the information that constitutes the management report of the Company (including the report on Corporate governance) and the consolidated management report, as required by legal and regulatory provisions.

I. Company and Group Business and Situation[1]	
Information (reference texts)	**Page Number**
Company and Group position over the past year (L.232-1 II and L.233-26 of the French Commercial Code)	132-160; 180-289; 532-570
Objective and comprehensive analysis of business performance, results and the financial position of the Company and Group (L.22-10-35 and L.225-100-1 I of the French Commercial Code)	132-160; 180-289; 532-570
Key financial and non-financial performance indicators for the Company and Group (L.22-10-35 and L.225-100-1 I of the French Commercial Code)	132-175; 582-583; 589
Foreseeable developments of the Company and Group (L.232-1 II and L.233-26 of the French Commercial Code)	157-160
Key events occurring since the financial year-end and the preparation date of the management report (L.232-1 II and L.233-26 of the French Commercial Code)	669
Company and Group research and development activities (L.232-1 II and L.233-26 of the French Commercial Code)	N/A
Equity investments in, or takeovers of, companies that have their head office in France (L.233-6 and L.247-1 I of the French Commercial Code)	570
Business and results for the Company as a whole, Company subsidiaries and companies it controls by branch of activity (L.233-6 and L.247-1 I of the French Commercial Code)	7-18; 132-156
Existing Company branches (L.232-1 II of the French Commercial Code)	670-676
Information on Company locations and businesses (L.511-45 and R.511-16-4 of the French Monetary and Financial Code)	281-289; 670-676

[1] Information on events after the Board of directors' meeting of 7 February 2022 is not included in the management report.

II. Risk factors and characteristics of internal control procedures[1]	
Information (reference texts)	**Page Number**
Description of the main risks and contingencies faced by the Company and Group (L.22-10-35 and L.225-100-1 I of the French Commercial Code)	305-323
Information on the financial risks related to the effects of climate change and measures taken by the Company and Group to reduce these through a low-carbon strategy applicable to all aspects of their business (L.22-10-35 of the French Commercial Code)	124
Objectives and policy for hedging each main transaction category by the Company and Group (L.22-10-35 and L.225-100-1 I of the French Commercial Code)	476-480
Exposure to price, credit, liquidity and cash flow risks of the Company and Group (L.22-10-35 and L.225-100-1 I of the French Commercial Code)	365-498
Main features of internal control and risk management procedures set up by the Company and Group relating to the preparation and processing of accounting and financial information (L.22-10-35 of the French Commercial Code)	126-130

III. Information on share capital	
Information (reference texts)	**Page Number**
Name of individuals or legal entities holding directly or indirectly more than 5% of capital or voting rights and changes arising during the year (L.233-13 of the French Commercial Code)	19-20
Name of companies controlled and share of the Company's share capital held by them (L.233-13 of the French Commercial Code)	281-289
Employee share ownership status (L.225-102 of the French Commercial Code)	19-20
Securities acquired by employees under a corporate takeover transaction (L.225-102 of the French Commercial Code)	N/A
Share disposals made to regularise cross shareholdings (L.233-29 and R.233-19 of the French Commercial Code)	N/A
Information on share buyback transactions undertaken by the Company (L.225-211 of the French Commercial Code)	111-113; 264; 547
Any adjustments made to securities giving access to share capital (L.225-181, L.228-99, R225-137, R.228-91 of the French Commercial Code)	N/A
Summary of transactions carried out by corporate officers, executives, certain company managers and persons with close connections to them during the past year (223-26 of the AMF General Regulation, L.621-18-2 and R.621-43-1 of the French Monetary and Financial Code)	110

[1] The information on the invasion of Ukraine in February 2022 included in Pillar 3 subsequent to the Board of directors' approval of the financial statements is not included in the management report.

IV. Other accounting, financial and legal information	
Information (reference texts)	**Page Number**
Information on payment terms (L.441-14 and D.441-6 of the French Commercial Code)	549
Amount of dividends distributed for the prior three years and revenue distributed eligible for the 40% tax reduction (243 bis of the French General Tax Code)	23
Injunctions or fines for anti-competitive practices (L.464-2 of the French Commercial Code)	N/A
Information on financial instruments with an agricultural commodity as their underlying and measures taken by the Company to prevent this having a significant impact on agricultural commodity prices (L.511-4-2 of the French Monetary and Financial Code)	N/A
Amount and features of loans financed or distributed by the Company or that they distribute as defined in III of Article 80 of the Planning Act for Social Cohesion Law No. 2005-32 of 18 January 2005 and hence covered by public guarantees. (L.511-4-1 of the French Monetary and Financial Code)	N/A
Return on Company assets (R.511-16-1 of the French Monetary and Financial Code)	354

V. Extra-financial performance statement and vigilance plan	
Information (reference texts)	**Page Number**
Information on the labour and environmental impact relating to the Company, subsidiaries and controlled companies (L.22-10-36, L.225-102-1 III and R.225-105 of the French Commercial Code)	580-663
Information on the effects of the Company's activity with respect to respect for Human Rights and the fight against corruption and tax evasion (L.22-10-36 and R.225-105 of the French Commercial Code)	592-593; 642-649
Information on the Company, subsidiaries and controlled companies, relating to the consequences of climate change on the business and the use of goods and services, social commitments to promote sustainable development, the circular economy, the fight against food waste and food poverty, respect for animal welfare and responsible, fair and sustainable food, actions to fight against discrimination and promote diversity, measures taken in favour of people with disabilities (L.22-10-36, L.225-102-1 and R.225-105 of the French Commercial Code)	580-666
Collective agreements agreed in the Company, subsidiaries and controlled companies and their impacts on the economic performance of the Company, subsidiaries and controlled companies as well as on employee working conditions (L.22-10-36, L.225-102-1 and R.225-105 of the French Commercial Code)	602-621
Information for companies operating at least one facility listed under article L.515-36 of the French Environmental Code (L.225-102-2 of the French Commercial Code)	N/A
Company's business plan (R.225-105 I of the French Commercial Code)	650-651
Social, environmental and civic information relevant to the main risks and policies of the company, its subsidiaries and controlled companies (R.225-105 II of the French Commercial Code)	Chapter 7
Taxonomic information / Article 8 of Regulation (EU) 2020/852 "Taxonomy"	655-658
Vigilance plan (L.225-102-4 of the French Commercial Code)	642-646

VI. Report on Corporate governance Information (reference texts)	Page Number
Information on the remuneration policy for directors and corporate officers (L.22-10-8 of the French Commercial Code)	81-87
Information on the remuneration and benefits in kind of the directors and corporate officers	87-102
Holding conditions for free shares allocated to corporate officers (L.225-197-1 of the French Commercial Code)	N/A
Conditions for exercising and holding options granted to directors and corporate officers (L.225-185 of the French Commercial Code)	103
List of all directorships and positions held in any company by each director and corporate officer during the year (L.22-10-10 and L.225-37-4 1° of the French Commercial Code)	35-50
Agreements entered into by one of the Company's directors or corporate officers and a subsidiary of the Company (L.22-10-10 and L.225-37-4 2° of the French Commercial Code)	51
Summary table of capital increase delegations (L.22-10-10 and L.225-37-4 3° of the French Commercial Code)	111-113
Arrangements for exercising General Management (L.22-10-10 and L.225-37-4 4° of the French Commercial Code)	53-54
Composition, and conditions governing the preparation and organisation of the work, of the Board of directors (L.22-10-10 1° of the French Commercial Code)	35-47; 52-53; 58-66
Description of the diversity policy applied to the members of the Board of directors, as well as the objectives, how the policy was implemented and results obtained during the past financial year (L.22-10-10 2° of the French Commercial Code)	54-56; 74-80
Information on the way to ensure balanced representation of men and women in Management bodies and gender balance results in the top 10% of positions of higher levels of responsibility (L.22-10-10 2° of the French Commercial Code)	57; 604; 645
Any limits to the powers of the Chief Executive Officer imposed by the Board of directors (L.22-10-10 3° of the French Commercial Code)	54
Corporate governance code prepared by corporate representative organisations to which the Company refers (L.22-10-10 4° of the French Commercial Code)	51
Arrangements for shareholder participation at the General Shareholders' Meeting (L.22-10-10 5° of the French Commercial Code)	28-30
Description of the procedure relating to current agreements concluded under normal conditions put in place by the Company and its implementation (L.22-10-10 6° and L.22-10-12 of the French Commercial Code)	80
Items that could have an impact in case of a public tender offer (L.22-10-11 ° of the French Commercial Code)	113

7.3 Appendice – Key information regarding the issuer, pursuant to Article 26.4 of European Regulation No 2017/1129

1) Who is the issuer of securities?

i. General Information:

Head office: 16 boulevard des Italiens, 75009 Paris, France

Legal form: BNP PARIBAS is a limited company authorised as a bank under the provisions of the French Monetary and Financial Code (Book V, Title 1) on banking institutions.

Legal identity identifier: ROMUWSFPU8MPRO8K5P83

Law governing its activities: BNP Paribas is a company incorporated under French law and operates in many countries, both in Europe and outside Europe. Many foreign regulations can therefore govern its activities.

Country of origin: France

ii. Main activities:

BNP Paribas' organisation evolved in 2021, and is now based on three operating divisions: Corporate & Institutional Banking (CIB), Commercial, Personal Banking & Services (CPBS) and Investment & Protection Services (IPS).

Corporate and Institutional Banking (CIB) division, combines:

- Global Banking,
- Global Markets,
- and Securities Services.

Commercial, Personal Banking & Services division, covers:

- Commercial & Personal Banking in the euro zone:
  - Commercial & Personal Banking in France (CPBF),
  - BNL banca commerciale (BNL bc), Italian Commercial & Personal Banking,
  - Commercial & Personal Banking in Belgium (CPBB),
  - Commercial & Personal Banking in Luxembourg (CPBL);
- Commercial & Personal Banking outside the euro zone, organised around:
  - Europe-Mediterranean, covering Commercial & Personal Banking outside the euro zone and the United States, in particular in Central and Eastern Europe, Turkey and Africa
  - BancWest in the United States;
- Specialised businesses:
  - BNP Paribas Personal Finance,
  - Arval and BNP Paribas Leasing Solutions,
  - New Digital Businesses (in particular Nickel, Floa, Lyf) and BNP Paribas Personal Investors.

Investment & Protection Services division, combines:

- Insurance (BNP Paribas Cardif),
- Wealth and Asset Management: BNP Paribas Asset Management, BNP Paribas Real Estate, BNP Paribas Principal Investments (management of the BNP Paribas Group's portfolio of unlisted and listed industrial and commercial investments) and BNP Paribas Wealth Management.

BNP Paribas SA is the Parent Company of the BNP Paribas Group.

iii. Main shareholders as at 30 juin 2022:

SFPI[1]: 7.8% of share capital;

BlackRock Inc.: 5.9 % of share capital[2];

Grand-Duché du Luxembourg: 1.0 % of share capital.

iv. Identity of key executives:

Jean LEMIERRE: Chairman of the Board of directors of BNP Paribas;

Jean-Laurent BONNAFÉ: Director and Chief Executive of BNP Paribas;

Yann GERARDIN: Chief Operating Officer in charge of Corporate & Institutional Banking;

Thierry LABORDE: Chief Operating Officer in charge of Commercial, Personal Banking & Services

v. Identity of Statutory Auditors:

Deloitte & Associés was re-appointed as Statutory Auditor at the Annual General Meeting of 24 May 2018 for a six-year period expiring at the close of the Annual General Meeting called in 2024 to approve the financial statements for the year ending 31 December 2023. The firm was first appointed at the Annual General Meeting of 23 May 2006.

Deloitte & Associés is represented by Laurence Dubois

Deputy: Société BEAS, 6, place de la Pyramide, Paris-La Défense Cedex (92), France, SIREN No. 315 172 445, Nanterre trade and companies register.

PricewaterhouseCoopers Audit was re-appointed as Statutory Auditor at the Annual General Meeting of 24 May 2018 for a six-year period expiring at the close of the Annual General Meeting called in 2024 to approve the financial statements for the year ending 31 December 2023. The firm was first appointed at the Annual General Meeting of 26 May 1994.

PricewaterhouseCoopers Audit is represented by Patrice Morot.

Deputy: Jean-Baptiste Deschryver, 63, rue de Villiers, Neuilly-sur-Seine (92).

Mazars was re-appointed as Statutory Auditor at the Annual General Meeting of 24 May 2018 for a six-year period expiring at the close of the Annual General Meeting called in 2024 to approve the financial statements for the year ending 31 December 2023. The firm was first appointed at the Annual General Meeting of 23 May 2000.

Mazars is represented by Virginie Chauvin.

Deputy: Charles de Boisriou, 61, rue Henri Regnault, Courbevoie (92).

Deloitte & Associés, PricewaterhouseCoopers and Mazars are registered as Statutory Auditors with the Versailles Regional Association of Statutory Auditors, under the authority of the French National Accounting Oversight Board *(Haut Conseil du Commissariat aux Comptes)*.

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[1] Société Fédérale de Participations et d'Investissement: a public limited company (société anonyme) acting on behalf of the Belgian State.
[2] According to the statement by BlackRock dated 24 June 2022.

2) What are the key financial information about the issuer?

P&L as at 30 June 2022 and 30 June 2021 is published in accordance with IFRS 5.

In millions of euros	Year 31/12/2021(1)	Year - 1 31/12/2020	Year - 2 31/12/2019	Interim 30/06/22(1)	Interim 30/06/21(1)
Net interest income	19,238	21,312	21,127	10,318	9,850
Net fee and commission income	10,362	9,862	9,365	5,059	5,038
Net gain on financial instruments	7,777	7,146	7,464	5,687	4,190
Revenues	43,762	44,275	44,597	24,690	22,364
Cost of Risk	(2,971)	(5,717)	(3,203)	(1,410)	(1,707)
Operating income	11,325	8,364	10,057	6,850	5,675
Net income attributable to equity holders	9,488	7,067	8,173	5,285	4,679
Earnings per share (in euros)	7.26	5.31	6.21	4.04	3.56

Balance sheet as at 30 June 2022 is published in accordance with IFRS 5.

In millions of euros	Year 31/12/2021(1)	Year - 1 31/12/2020	Year - 2 31/12/2019	Interim 30/06/22(1)	Interim 30/06/21
Total assets	2,634,444	2,488,491	2,164,713	2,891,007	2,671,803
Debt securities	220,106	212,351	221,336	229,506	239,945
Of which mid long term Senior Preferred	*78,845*(2)	*82,086*(2)	*88,466*(2)	N/A	N/A
Subordinated debt	25,667	23,325	20,896	25,702	23,162
Loans and receivables from customers (net)	814,000	809,533	805,777	855,044	825,226
Deposits from customers	957,684	940,991	834,667	1,008,661	1,000,870
Shareholders' equity (Group share)	117,886	112,799	107,453	115,945	115,991
Doubtful loans/gross outstandings(3)	2.0%	2.1%	2.2%	1.8%	2.1%
Common Equity Tier 1 capital (CET1) ratio	12.9%	12.8%	12.1%	12.2%	12.9%
Total Capital Ratio	16.4%	16.4%	15.5%	15.7%	16.5%
Leverage Ratio(4)	4.1%	4.4%	4.6%	3.8%	4.0%

(1) Application of IFRS 5
(2) Regulatory scope
(3) Impaired loans (stage 3) to customers and credit institutions, not netted of guarantees, including on-balance sheet and off-balance sheet and debt securities measured at amortised costs or at fair value through shareholders' equity reported on gross outstanding loans to customers and credit institutions, on-balance sheet and off-balance sheet and including debt securities measured at amortised costs or at fair value through shareholders' equity (excluding insurance).

(4) Without the effect of the temporary exemption related to deposits with Eurosystem central banks (calculated in accordance with Regulation (EU) No. 2020/873, Article 500b).

A brief description of any qualifications in the audit report relating to the historical financial information: N/A

3) What are the specific risks of the issuer?

The presentation of the risk factors below consists of a non-exhaustive selection of the main risks specific to BNP Paribas, to be supplemented by an examination by the investor of all the risk factors contained in the prospectus.

1. A substantial increase in new provisions or a shortfall in the level of previously recorded provisions exposed to credit risk and counterparty risk could adversely affect the BNP Paribas Group's results of operations and financial condition.

2. An interruption in or a breach of the BNP Paribas Group's information systems may cause substantial losses of client or customer information, damage to the BNP Paribas Group's reputation and result in financial losses.

3. The BNP Paribas Group may incur significant losses on its trading and investment activities due to market fluctuations and volatility.

4. Adjustments to the carrying value of the BNP Paribas Group's securities and derivatives portfolios and the BNP Paribas Group's own debt could have an adverse effect on its net income and shareholders' equity.

5. The BNP Paribas Group's access to and cost of funding could be adversely affected by a resurgence of financial crises, worsening economic conditions, rating downgrades, increases in sovereign credit spreads or other factors.

6. Adverse economic and financial conditions have in the past had and may in the future have an impact on the BNP Paribas Group and the markets in which it operates.

7. Laws and regulations adopted in recent years, particularly in response to the global financial crisis, as well as new legislative proposals, may materially impact the BNP Paribas Group and the financial and economic environment in which it operates.

8. The BNP Paribas Group may incur substantial fines and other administrative and criminal penalties for non-compliance with applicable laws and regulations, and may also incur losses in related (or unrelated) litigation with private parties.

9. Epidemics and pandemics, including the ongoing coronavirus (COVID-19) pandemic, and their economic consequences may adversely affect the Group's business, operations, results and financial condition.