

# CONVENING NOTICE

COMBINED GENERAL MEETING 2018

THE SHAREHOLDERS OF BNP PARIBAS  
ARE CONVENED BY THE BOARD OF DIRECTORS  
TO THE COMBINED GENERAL MEETING, TO BE HELD ON

---

**THURSDAY, 24 MAY 2018**

at 10.00 am

at the Carrousel du Louvre

99, rue de Rivoli in Paris 1<sup>st</sup>

---

The main items (in particular the meeting agenda and the procedures for participation) are available on the website:

<https://invest.bnpparibas.com>

BNP PARIBAS  
Société anonyme with capital of EUR2,497,718,772  
Head Office: 16, boulevard des Italiens  
75009 Paris – Trade Register No. 662 042 449 Paris

**Protect the environment** by using the Internet to participate in our Annual General Meeting



**BNP PARIBAS**

The bank  
for a changing  
world

# OVERVIEW

## **AGENDA 03**

### **PARTICIPATING IN OUR GENERAL MEETING 04**

Via the internet 04  
With the paper form 05

### **HOW TO VOTE? 06**

How to fill in the proxy  
or the correspondence voting form? 06  
Participation form template 07

### **DRAFT RESOLUTIONS 08**

Ordinary meeting 08  
Extraordinary meeting 11

### **PRESENTATION OF THE RESOLUTIONS 16**

Shareholder vote on the individual  
remuneration of executive corporate  
officers pursuant to article L. 225-100  
of the French Commercial Code 35

## **INFORMATION ABOUT THE CANDIDATES FOR THE BOARD OF DIRECTORS 39**

## **BNP PARIBAS GROUP IN 2017 42**

## **BNP PARIBAS SA FIVE YEAR FINANCIAL SUMMARY 51**

## **PRACTICAL INFORMATION 52**

## **HOLDERS OF REGISTERED SHARES: OPT FOR ELECTRONIC CONVENING 53**

## **REQUEST FOR DOCUMENTS AND INFORMATION 55**

*This English translation is for the convenience of English-speaking readers. However, only the French text has any legal value. Consequently, the translation may not be relied upon to sustain any legal claim, nor should it be used as the basis of any legal opinion. BNP Paribas expressly disclaims all liability for any inaccuracy herein.*

# AGENDA

## I – WITHIN THE AUTHORITY OF THE ORDINARY GENERAL MEETING

---

- Reports of the Board of Directors and the Statutory Auditors for the 2017 financial year;
- Approval of the parent company financial statements for the 2017 financial year;
- Approval of the consolidated financial statements for the 2017 financial year;
- Appropriation of net income for the 2017 financial year and distribution of dividends;
- Special report of the Statutory Auditors on related party agreements and commitments falling within the scope of articles L.225-38 *et seq.* of the French Commercial Code;
- Authorisation for the Board of Directors to purchase Company shares;
- Re-appointment of a Statutory Auditor and of an Alternate Auditor (Deloitte & Associés and BEAS);
- Re-appointment of a Statutory Auditor and appointment of a new Alternate Auditor (Mazars and Mr. Charles de Boisriou);
- Re-appointment of a Statutory Auditor and appointment of a new Alternate Auditor (PricewaterhouseCoopers Audit and Mr. Jean-Baptiste Deschryver);
- Re-election of a Director (Mr. Pierre André de Chalendar);
- Re-election of a Director (Mr. Denis Kessler);
- Re-election of a Director (Ms Laurence Parisot);
- Vote on the components of the remuneration policy attributable to the Chairman of the Board of Directors;
- Vote on the components of the remuneration policy attributable to the Chief Executive Officer and the Chief Operating Officer;
- Vote on the components of the remuneration paid or awarded in respect of fiscal year 2017 to Jean Lemierre, Chairman of the Board of Directors;
- Vote on the components of the remuneration paid or awarded in respect of fiscal year 2017 to Jean-Laurent Bonnafé, Chief Executive Officer;
- Vote on the components of the remuneration paid or awarded in respect of fiscal year 2017 to Philippe Bordenave, Chief Operating Officer;
- Advisory vote on the overall amount of remuneration of any kind paid during fiscal year 2017 to executives and certain categories of personnel;
- Setting the upper limit of the variable portion of remuneration payable to executives and certain categories of personnel.

## II – WITHIN THE AUTHORITY OF THE EXTRAORDINARY GENERAL MEETING

---

- Reports of the Board of Directors and Statutory Auditors;
- Authorisation for the Board of Directors to increase the share capital, maintaining preferential subscription rights for existing shareholders, through the issue of ordinary shares and securities granting immediate or future access to new shares;
- Authorisation for the Board of Directors to increase the share capital, without preferential subscription rights for existing shareholders, through the issue of ordinary shares and securities granting immediate or future access to new shares;
- Authorisation for the Board of Directors to increase the share capital, without preferential subscription rights for existing shareholders, through the issue of ordinary shares and securities granting immediate or future access to new shares issued in consideration of securities tendered, within the limit of 10% of the share capital;
- Overall limitation of issue authorisations without preferential subscription rights;
- Authorisation for the Board of Directors to increase the share capital by capitalisation of reserves or earnings, share premiums or additional paid-in capital;
- Overall limitation of issue authorisations with or without preferential subscription rights;
- Authorisation granted to the Board of Directors to conduct transactions reserved for the members of the BNP Paribas Group Company Savings Plan, without preferential subscription rights, which may take the form of capital increases and/or reserved sales of securities;
- Authorisation for the Board of Directors to reduce the share capital by cancelling shares;
- Amendment of Articles of association relating to the age limit of the Chairman, the Chief Executive Officer and the Chief Operating Officers;
- Authority to complete legal formalities.

# PARTICIPATING IN OUR GENERAL MEETING



## VIA THE INTERNET

**BNP Paribas provides all its shareholders, regardless of the number of shares held, with the option to send their voting instructions, request an admission card, appoint or revoke a proxy via internet before the Shareholders' Combined General Meeting under the following conditions:**

### IF YOU HOLD REGISTERED SHARES

You may vote by internet using the Votaccess system *via* the following website: <https://planetshares.bnpparibas.com>.

If you hold **fully registered shares**, you must login to the Planetshares website with your usual login details.

If you hold **administered registered shares**, you must login to Planetshares using the ID number displayed on the top right-hand side of your voting form. If you no longer have your user name and/or password, you may contact us on  **0 800 600 700**  or from abroad on +33(0)1 40 14 80 37.

After having logged in, you can access Votaccess by clicking on the "Participating in the General Meeting" icon.

You will be redirected to Votaccess, the online voting website, where you may enter your voting instruction, request an admission card or appoint or revoke a proxy. Furthermore, *via* the same site, you will be able to access the General Meeting documents.

### IF YOU HOLD BEARER SHARES

You must find out whether your custodian uses the Votaccess system and, if applicable, whether this access is subject to special conditions of use.

If your custodian is connected to Votaccess, please identify yourself with your usual login details. You then click on the icon which appears on the line corresponding to your BNP Paribas shares and follow the instructions on the screen to access the Votaccess website. You may enter your voting instruction, request an admission card or appoint or revoke a proxy. *Via* the same site, you may access the General Meeting documents.



The secure site dedicated to voting prior to the meeting will open on Wednesday 18 April 2018.

You can vote *via* the internet prior to the Meeting until the day before the event, *i.e.* **Wednesday 23 May 2018**, at 3.00 pm (Paris time).

**Shareholders are nevertheless advised to vote well before this date.**



In accordance with article 18 of the BNP Paribas Articles of association, the entire General Meeting will be broadcast live on our website <https://invest.bnpparibas.com>.

A video of this broadcast will then be permanently available on the same site, throughout the year until the following General Meeting.

## WITH THE PAPER FORM

### PARTICIPATION PROCEDURE

In order to attend this Meeting in person, be represented or vote by post, your BNPParibas shares just have to be recorded in your name, whether they are registered or bearer shares, **on the second working day before the meeting i.e. Tuesday 22 May 2018**.

### YOU FALL INTO ONE OF THE FOLLOWING CASES:

#### YOU WISH TO ATTEND THE MEETING

##### ■ if you hold BEARER shares:

You must request an admission card which is essential to enter the meeting and vote by:

- **ticking box A** at the top of the voting form;
- **returning this form as soon as possible to the financial intermediary** who manages your share account and who will forward your request by drawing up a participation certificate.

##### ■ if you hold REGISTERED shares:

You can:

- **request an admission card** which will enable you to **enter the meeting room more quickly**, by returning the voting form in the envelope sent to you, after **ticking box A**;
- **or go directly to the entrance desk** specially set up for this purpose. Make sure you have proof of identity with you.

#### IF YOU DO NOT WISH TO ATTEND THE MEETING

You just have to:

##### ■ fill in and sign the voting form;

##### ■ and return it:

- **if you hold bearer shares**, to the financial intermediary who manages your share account and who will send the document, along with the participation certificate which he has prepared beforehand;
- **if you hold registered shares**, send it to BNP Paribas Securities Services, in the enclosed envelope.

Postal votes will only be taken into account if the forms are duly completed and are received by BNP Paribas Securities Services at least one day before the General Meeting *i.e. Wednesday 23 May 2018* by 3.00 pm (Paris time) at the latest.

#### REVOKE A PROXY BY POST<sup>(\*)</sup>

##### ■ In accordance with article R.225-79 of the French Commercial Code, you can revoke the proxy:

- if you hold bearer shares, you must send a notice revoking the proxy to the financial intermediary who manages your share-account;
- if you hold registered shares, you must send a notice revoking the proxy to BNP Paribas Securities Services – CTO Service Assemblées – Grands Moulins de Pantin - 9, rue du Débarcadère - 93761 Pantin Cedex.

#### APPOINT OR REVOKE A PROXY BY ELECTRONIC MAIL<sup>(\*)</sup>

Please note that you can notify your decision to either appoint or revoke a proxy by electronic mail, in accordance with the provisions of article R.225-79 *et seq.* of the French Commercial Code, by following the procedures below:

- you must send an email to the following address *paris.bp2s.france.cts.mandats@bnpparibas.com*. This email must contain as information: name of the Company concerned, date of the Meeting, your surname, first name, address and full bank details as well as, if applicable, the surname, first name and address of the proxy. You can also send a scanned version of your voting form as an attachment to the email address above;
- in addition, you must ask your financial intermediary managing your share account to send a written confirmation to the Service Assemblées Générales of BNP Paribas Securities Services – CTO Service Assemblées – Grands Moulins de Pantin - 9, rue du Débarcadère - 93761 Pantin Cedex.

<sup>(\*)</sup> In order to be taken into account, your instruction must be received by the Service Assemblées Générales of BNP Paribas Securities Services, by Wednesday 23 May 2018 by 3.00 pm (Paris time) at the latest.

# HOW TO VOTE?

## HOW TO FILL IN THE PROXY OR THE CORRESPONDENCE VOTING FORM?

### A

#### You wish to attend the meeting in person:

- Please tick box **A**;
- Please date the document and sign it in box **Z** at the bottom of this form.

### B

#### You cannot attend and you wish to vote by correspondence or by proxy:

- Please tick box **B**;
- Choose one of the three options: **C** or **D** or **E** (one choice only);
- Please date the document and sign it in box **Z** at the bottom of this form.

### C

#### You have chosen to give your proxy to the Chairman of the Annual General Meeting:

- Please tick the box before "I hereby give my proxy to the Chairman of the Annual General Meeting";
- Please date the document and sign it in box **Z** at the bottom of this form;
- Please make sure you ticked box **B**.

### D

#### You have chosen to vote by correspondence:

- Please tick the box before "I vote by post":
- Each numbered box represents the draft resolution presented or approved by the Board of Directors, and included in the notice of meeting:
  - each **empty** box represents a **YES** vote,
  - each **blackened** box represents a **NO** vote or an abstention (to abstain is equivalent to voting No);
- Please date the document and sign it in box **Z** at the bottom of this form;
- Please make sure you ticked box **B**.

### D'

#### This box is to be used to vote for resolutions presented by the shareholders and not registered by the Board of Directors.

- If you want to vote, please blacken the corresponding box.

### D''

#### This box is to be used if amendments or new resolutions are proposed during the meeting.

- Please blacken the corresponding box.

### E

#### You give your proxy to a person – an individual or a legal entity – you have chosen (your spouse or any other person attending the meeting):

- Please tick the box **E** before "I hereby appoint";
- Please date the document and sign it in box **Z** at the bottom of this form;
- Please make sure you ticked box **B**;
- Please mention in box **E** the person – individual or legal entity – who will be representing you (surname, first name, address).

### F

#### Please indicate your surname, first name and address:

- If these data already show, please check them and correct if necessary;
- If the person who signs is not the shareholder, he/she must indicate his/her surname, first name and his/her role (legal agent, guardian, etc.).

### Z

#### This box must show a date and a signature for all shareholders.



THE OWNER OF THE SHARES MUST DATE AND SIGN THIS FORM. IN THE EVENT OF JOINT OWNERSHIP, EACH JOINT OWNER MUST SIGN. IN CASE OF LIFE TENANCY, THE TENANT FOR LIFE MUST DATE AND SIGN.

**PARTICIPATION FORM TEMPLATE**

**A B**

**IMPORTANT : Avant d'exercer votre choix, veuillez prendre connaissance des instructions situées au verso - Important : Before selecting please refer to instructions on reverse side**  
**Quelle que soit l'option choisie, noircir comme ceci la ou les cases correspondantes, dater et signer au bas du formulaire - Whichever option is used, shade box(es) like this, date and sign at the bottom of the form.**  
**A. Je désire assister à cette assemblée et demande une carte d'admission : dater et signer au bas du formulaire // I wish to attend the shareholders' meeting and request an admission card : date and sign at the bottom of the form.**  
**B. J'utilise le formulaire de vote par correspondance ou par procuration ci-dessous, selon l'une des 3 possibilités offertes // I prefer to use the postal voting form or the proxy form as specified below.**

**BNP PARIBAS**  
 S A au Capital de €2 497 718 772  
 Siège social :16, boulevard des Italiens  
 75009 PARIS  
 R.C.S PARIS 662 042 449

ASSEMBLÉE GÉNÉRALE MIXTE convoquée pour le jeudi 24 mai 2018 à 10h au Carrousel du Louvre, 99 rue de Rivoli 75001 PARIS.  
**COMBINED GENERAL MEETING to be held on Thursday May 24, 2018 at 10 am at Carrousel du Louvre, 99 rue de Rivoli 75001 PARIS.**

**CADRE RÉSERVÉ À LA SOCIÉTÉ - FOR COMPANY'S USE ONLY**

Identifiant - Account

Nombre d'actions / Number of shares

Nominatif / Registered

Porteur / Bearer

Vote simple / Single vote

Vote double / Double vote

Nombre de voix - Number of voting rights

**D**

**C**

**E**

**JE VOTE PAR CORRESPONDANCE // I VOTE BY POST**  
 Cf. au verso (2) - See reverse (2)

Je vote OUI à tous les projets de résolutions présentés ou agréés par le Conseil d'Administration ou le Directoire ou la Gérance, à l'EXCEPTION de ceux que je signale en noircissant comme ceci la case correspondante et pour lesquels je vote NON ou je m'abstiens.  
 I vote YES all the draft resolutions approved by the Board of Directors EXCEPT those indicated by a shaded box - like this, for which I vote NO or I abstain.

Sur les projets de résolutions non agréés par le Conseil d'Administration ou le Directoire ou la Gérance, je vote en noircissant comme ceci la case correspondant à mon choix.  
 On the draft resolutions not approved by the Board of Directors, I cast my vote by shading the box of my choice - like this.

1	2	3	4	5	6	7	8	9	Oui / Yes	Non/No	Abs/Abs	Oui / Yes	Non/No	Abs/Abs
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	A <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	F <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10	11	12	13	14	15	16	17	18	B <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	G <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19	20	21	22	23	24	25	26	27	C <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	H <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
28	29	30	31	32	33	34	35	36	D <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	J <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
37	38	39	40	41	42	43	44	45	E <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	K <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**JE DONNE POUVOIR AU PRÉSIDENT DE L'ASSEMBLÉE GÉNÉRALE**  
 Cf. au verso (3)

**I HEREBY GIVE MY PROXY TO THE CHAIRMAN OF THE GENERAL MEETING**  
 See reverse (3)

**JE DONNE POUVOIR A (\*)** : Cf. au verso (4)

**I HEREBY APPOINT (\*)** : See reverse (4)

M., Mme ou Mlle, Raison Sociale / Mr, Mrs or Miss, Corporate Name

Adresse / Address

**ATTENTION :** s'il s'agit de titres au porteur, les présentes instructions ne seront valides que si elles sont directement retournées à votre banque.  
**CAUTION :** if it is about bearer securities, the present instructions will be valid only if they are directly returned to your bank.

Nom, prénom, adresse de l'actionnaire (les modifications de ces informations doivent être adressées à l'établissement concerné et ne peuvent être effectuées à l'aide de ce formulaire). Cf. au verso (1)  
 Surname, first name, address of the shareholder (Change regarding this information have to be notified to relevant institution, no change can be made using this proxy form). See reverse (1)

**D'**

**D''**

**F**

**Z**

Si des amendements ou des résolutions nouvelles étaient présentés en assemblée / In case amendments or new resolutions are proposed during the meeting  
 - Je donne pouvoir au Président de l'assemblée générale de voter en mon nom. / I appoint the Chairman of the general meeting to vote on my behalf .....  
 - Je m'abstiens (abstention équivalente à un vote contre). / I abstain from voting (is equivalent to vote NO) .....  
 - Je donne procuration [cf. au verso service (4)] à M., Mme ou Mlle, Raison Sociale pour voter en mon nom .....  
 / I appoint [see reverse (4)] Mr, Mrs or Miss, Corporate Name to vote on my behalf .....

Pour être prise en considération, toute formule doit parvenir au plus tard :  
**In order to be considered, this completed form must be returned at the latest**  
 23/05/2018 à 15h, heure de Paris / on May, 23 2018 at 3 pm, Paris time

à / to BNP PARIBAS SECURITIES SERVICES, CTS Assemblées, Grands Moulins de Pantin - 93761 PANTIN Cedex.

Date & Signature

Article R. 225-79 du Code de Commerce (Extra!)  
 La procuration donnée par un actionnaire pour se faire représenter à une assemblée est signée par celui-ci, le cas échéant par un procédé de signature électronique, et indique ses nom, prénom usuel et domicile. Elle peut désigner nommément un mandataire, qui n'a pas la faculté de se substituer une autre personne.  
 (\*) Article R.225-79 of the French Commercial Code (Extract)  
 The power of attorney provided by a shareholder in order to be represented during a General Meeting is signed (electronically if applicable) by said shareholder. The shareholder must specify his/her full name and postal address.  
 This power of attorney may also appoint a specific proxy who may not substitute another individual for himself/herself.

# DRAFT RESOLUTIONS

## ORDINARY MEETING

### FIRST RESOLUTION

#### Approval of the parent company financial statements for the 2017 financial year

The Annual General Meeting, in accordance with the quorum and majority requirements applicable to Ordinary General Meetings, having reviewed the reports of the Board of Directors and the Statutory Auditors for the 2017 financial year, approves the parent company financial statements for the 2017 financial year, prepared in accordance with French general accounting principles applicable to credit institutions. It approves the net profit after tax of EUR 3,156,983,828.75.

In application of article 223-quater of the French General Tax Code, the Annual General Meeting approves the total amount of the expenses and charges specified in article 39 4 of the French General Tax Code which are EUR 1,175,041.67 for the financial year, and that the tax in respect of such expenses and charges is EUR 522,071.01.

### SECOND RESOLUTION

#### Approval of the 2017 consolidated financial statements

The Annual General Meeting, in accordance with the quorum and majority requirements applicable to Ordinary General Meetings, having reviewed the reports of the Board of Directors and the Statutory Auditors for the 2017 financial year, approves the consolidated financial statements for the 2017 financial year, prepared in accordance with international financial reporting standards (IFRS) as adopted by the European Union.

### THIRD RESOLUTION

#### Appropriation of net income for the year ended 31 December 2017 and dividend distribution

The Annual General Meeting, in accordance with the quorum and majority requirements applicable to Ordinary General Meetings, appropriates the net income of the BNP Paribas SA parent company financial statements as follows:

*In euros*

Net income for the financial year	3,156,983,828.75
Retained earnings	29,877,008,106.86
<b>TOTAL</b>	<b>33,033,991,935.61</b>
Dividend	3,771,555,345.72
Retained earnings	29,262,436,589.89
<b>TOTAL</b>	<b>33,033,991,935.61</b>

The dividend for an amount of EUR 3,771,555,345.72 corresponds to a distribution of EUR 3.02 per ordinary share with a nominal value of EUR 2.00, it being specified that the Board of Directors is fully authorised to post the fraction of the dividend corresponding to BNP Paribas treasury shares to the "Retained earnings" account.

The Annual General Meeting authorises the Board of Directors to deduct from the "Retained earnings" account the sums required to pay the dividend fixed above for shares resulting from the exercise of stock options prior to the dividend payment date.

In application of articles 117-quater and 200 A of the French General Tax Code, dividends received as from 1st January 2018 are subject (on a gross basis and except for income-related exemptions) to a deduction at source which is final, except when there is an option to apply the progressive income tax scheme. In this case, the dividend proposed qualifies for the allowance provided by article 158 3. 2° of the French General Tax Code.

The ex-dividend date for the 2017 financial year will be on 30 May 2018 and the dividend will be paid in cash on 1st June 2018 with a record date at close of business on 31 May.

In accordance with article 243 bis, paragraph 1 of the French General Tax Code, the dividends for the last three financial years were as follows:

*In euros*

FINANCIAL YEAR	Nominal of the share	Number of shares	Dividend per share	Amount of distribution eligible for the allowance pursuant to article 158 3. 2° of the French General Tax Code
2014	2.00	1,244,565,708	1.50	1,866,848,562.00
2015	2.00	1,245,583,674	2.31	2,877,298,286.94
2016	2.00	1,247,618,791	2.70	3,368,570,735.70



**FOURTH RESOLUTION****Special report of the Statutory Auditors on related party agreements and commitments falling within the scope of articles L.225-38 *et seq.* of the French Commercial Code**

The Annual General Meeting, in accordance with the quorum and majority requirements applicable to Ordinary General Meetings, acknowledges the special report prepared by the Statutory Auditors on related party agreements and commitments falling within the scope of articles L.225-38 *et seq.* of the French Commercial Code.

**FIFTH RESOLUTION****Authorisation for BNP Paribas to buy back its own shares**

The Annual General Meeting, in accordance with the quorum and majority requirements applicable to Ordinary General Meetings, authorises the Board of Directors, pursuant to the provisions of articles L.225-209 *et seq.* of the French Commercial Code, to purchase a number of shares representing up to 10% of the shares comprising the share capital of BNP Paribas, or, for illustrative purposes, as of 17 January 2018, the date on which the share capital was last recorded, a maximum of 124,885,938 shares.

The Annual General Meeting hereby decides that shares may be purchased:

- with a view to their cancellation in situations identified by the Extraordinary General Meeting;
- in order to honour the obligations linked to the issuance of equity instruments, stock option plans, bonus share awards, the allotment or sale of shares to employees as part of a profit-sharing scheme, employee shareholding or Corporate Savings Plans, or any other type of share grant for employees and corporate officers of BNP Paribas and the companies controlled exclusively by BNP Paribas within the meaning of article L.233-16 of the French Commercial Code;
- for the purposes of holding and subsequently remitting them in exchange or as payment for external growth transactions, mergers, spin-offs or contribution operations;
- under a liquidity contract in accordance with the code of conduct recognised by the French financial markets authority (*Autorité des Marchés Financiers*);
- to carry out investment services for which BNP Paribas has been approved or to hedge them.

**Such shares may be purchased at any time, except during a public offer for BNP Paribas shares**, in accordance with the regulations in force, by any means, including *via* block purchases or the use of derivatives traded on a regulated market or over the counter.

The maximum purchase price may not exceed EUR 73 per share, thus, given the number of shares making up the share capital as of 17 January 2018, and subject to any adjustments following any BNP Paribas corporate action, a maximum purchase amount of EUR 9,116,673,474.

The Annual General Meeting vests every authority in the Board of Directors, with the option of delegating such authority in the conditions laid down by law, to act on this authorisation, and specifically to place any stock market orders, enter into any agreement with a view to keeping registers of share purchases and sales, file any declarations with the French financial markets authority, comply with any other formalities and declarations, and in general to do whatever it deems necessary.

The authorisation hereby granted, which supersedes and replaces that granted by the fifth resolution of the Annual General Meeting of 23 May 2017, shall be valid for a period of 18 months from the date of this meeting.

**SIXTH RESOLUTION****Re-election of a Statutory Auditor and of an Alternate Auditor whose terms have expired**

The Annual General Meeting, acting under conditions of quorum and majority applicable to Ordinary General Meetings, and after having read the Board of Directors' report, decides to renew the functions of the Statutory Auditors:

- Statutory Auditor: Deloitte & Associés, 185 avenue Charles de Gaulle, Neuilly-sur-Seine (92), SIREN number 572 028 041 Nanterre Trade and Companies Register;
- Alternate: Société BEAS, 195, avenue Charles-de-Gaulle, Neuilly-sur-Seine (92), France, SIREN No. 315 172 445, Nanterre Trade and Companies Register;

for a period of six years that will expire at the end of the Ordinary General Meeting called in 2024 to approve the financial statements for the year ended 31 December 2023.

**SEVENTH RESOLUTION****Re-election of a Statutory Auditor whose term has expired and appointment of a new Alternate Auditor**

The Annual General Meeting, acting under conditions of quorum and majority applicable to Ordinary General Meetings, and after having read the Board of Directors' report, decides:

- to renew the functions of the Statutory Auditor: Mazars, Tour Exaltis - 61 rue Henri Regnault, Courbevoie (92), SIREN number 784 824 153 Nanterre Trade and Companies Register;
- to appoint Charles de Boisriou to the functions of Alternate Auditor: 28 rue Fernand Forest, Suresnes (92), to replace Michel Barbet-Massin whose term has expired;

for a period of six years that will expire at the end of the Ordinary General Meeting called in 2024 to approve the financial statements for the year ended 31 December 2023.

#### EIGHTH RESOLUTION

##### **Re-election of a Statutory Auditor whose term has expired and appointment of a new Alternate Auditor**

The Annual General Meeting, acting under conditions of quorum and majority applicable to Ordinary General Meetings, and after having read the Board of Directors' report, decides:

- to renew the functions of Statutory Auditor: PricewaterhouseCoopers Audit, 63 rue de Villiers, Neuilly-sur-Seine (92), SIREN number 672 006 483 Nanterre Trade and Companies Register;
- to appoint as Alternate Auditor: Jean-Baptiste Deschryver, 63 rue de Villiers, Neuilly-sur-Seine (92), who replaces Anik Chaumartin whose term has expired;

for a period of six years that will expire at the end of the Ordinary General Meeting called in 2024 to approve the financial statements for the year ended 31 December 2023.

#### NINTH RESOLUTION

##### **Re-election of a Director**

The Annual General Meeting, in accordance with the quorum and majority requirements applicable to Ordinary General Meetings, re-elects Mr Pierre André de Chalendar as Director for a three-year term expiring at the end of the Ordinary General Meeting called in 2021 to approve the 2020 financial statements.

#### TENTH RESOLUTION

##### **Re-election of a Director**

The Annual General Meeting, in accordance with the quorum and majority requirements applicable to Ordinary General Meetings, re-elects Mr Denis Kessler as Director for a three-year term expiring at the end of the Ordinary General Meeting called in 2021 to approve the 2020 financial statements.

#### ELEVENTH RESOLUTION

##### **Re-election of a Director**

The Annual General Meeting, in accordance with the quorum and majority requirements applicable to Ordinary General Meetings, re-elects Ms Laurence Parisot as Director for a three-year term expiring at the end of the Ordinary General Meeting called in 2021 to approve the 2020 financial statements.

#### TWELFTH RESOLUTION

##### **Vote on the components of the remuneration policy attributable to the Chairman of the Board of Directors**

The Annual General Meeting, in accordance with the quorum and majority requirements applicable to Ordinary General Meetings, having been made aware of the components relating to the remuneration policy for executive corporate officers as presented in the Board of Directors report on corporate governance approves, in accordance with article L.225-37-2 of the French Commercial Code, the remuneration policy applicable to the Chairman of the Board of Directors as presented in this report.

#### THIRTEENTH RESOLUTION

##### **Vote on components of the remuneration policy attributable to the Chief Executive Officer and the Chief Operating Officer**

The Annual General Meeting, in accordance with the quorum and majority requirements applicable to Ordinary General Meetings, having been made aware of the components relating to the remuneration policy for executive corporate officers as presented in the Board of Directors report on corporate governance approves, in accordance with article L.225-37-2 of the French Commercial Code, the remuneration policy applicable to the Chief Executive Officer and the Chief Operating Officer as presented in this report.

#### FOURTEENTH RESOLUTION

##### **Vote on the components of the remuneration paid or awarded in respect of fiscal year 2017 to Jean Lemierre, Chairman of the Board of Directors**

The Annual General Meeting, in accordance with the quorum and majority requirements applicable to Ordinary General Meetings, approves, pursuant to article L.225-100 II of the French Commercial Code, the components of the remuneration paid or awarded in respect of fiscal year 2017 to Jean Lemierre, Chairman of the Board of Directors, as presented in the table shown in Part 2 *Corporate governance and internal control*, Chapter 2.1 *Report on Corporate Governance*, Section *Remuneration* of the 2017 Registration document and annual financial report.

#### FIFTEENTH RESOLUTION

##### **Vote on the components of the remuneration paid or awarded in respect of fiscal year 2017 to Jean-Laurent Bonnafé, Chief Executive Officer**

The Annual General Meeting, in accordance with the quorum and majority requirements applicable to Ordinary General Meetings, approves, pursuant to article L.225-100 II of the French Commercial Code, the components of the remuneration paid or awarded in respect of fiscal year 2017 to Jean-Laurent Bonnafé, Chief Executive Officer, as presented in the table shown in Part 2 *Corporate governance and internal control*, Chapter 2.1 *Report on Corporate Governance*, Section *Remuneration* of the 2017 Registration document and annual financial report.

#### SIXTEENTH RESOLUTION

##### **Vote on the components of the remuneration paid or awarded in respect of fiscal year 2017 to Philippe Bordenave, Chief Operating Officer**

The Annual General Meeting, in accordance with the quorum and majority requirements applicable to Ordinary General Meetings, approves, pursuant to article L.225-100 II of the French Commercial Code, the components of the remuneration paid or awarded in respect of fiscal year 2017 to Philippe Bordenave, Chief Operating Officer, as presented in the table shown in Part 2 *Corporate governance and internal control*, Chapter 2.1 *Report on Corporate Governance*, Section *Remuneration* of the 2017 Registration document and annual financial report.

**SEVENTEENTH RESOLUTION****Advisory vote on the overall amount of remuneration of any kind paid during fiscal year 2017 to executives and certain categories of personnel**

The Annual General Meeting, in accordance with the quorum and majority requirements applicable to Ordinary General Meetings, having reviewed the report of the Board of Directors and consulted pursuant to article L.511-73 of the French Monetary and Financial Code, hereby expresses a favourable opinion on the total remuneration package, which amounts to EUR 932 million paid during the 2017 financial year, to executives and certain categories of personnel, including material risk-takers, persons exercising supervisory functions and any employee who, given his/her overall income, is in the same remuneration bracket, whose professional activities have a significant influence on the risk profile of BNP Paribas or the BNP Paribas Group.

**EIGHTEENTH RESOLUTION****Upper limit of the variable portion of remuneration payable to executives and certain categories of personnel**

The Annual General Meeting, in accordance with the quorum and majority requirements laid down in article L.511-78 of the French Monetary and Financial Code, having read the Board of Directors' report, hereby decides, for the whole of BNP Paribas, that the variable portion of individual remuneration allocated to executives and categories of employees, including material risk-takers, employees engaged in a control function and any employee receiving total remuneration that takes him/her into the same remuneration bracket, whose professional activities have a significant influence on the risk profile of BNP Paribas or the BNP Paribas Group, may be increased by a maximum of 200% of the fixed portion of the remuneration of each of these employees, with the option to apply the discount rate specified in article L.511-79 of the French Monetary and Financial Code. Such authorisation is valid for a period of three years expiring at the end of the Ordinary General Meeting called in 2021 to approve the 2020 financial statements.

## EXTRAORDINARY MEETING

**NINETEENTH RESOLUTION****Capital increase, with preferential subscription rights, through the issue of ordinary shares and securities giving access immediately or in the future to shares to be issued**

The Annual General Meeting, acting under conditions of quorum and majority applicable to Extraordinary General Meetings, and after having read the Board of Directors' report, and the Auditors' special report, and in accordance with articles L.225-129 *et seq.* of the French Commercial Code, in particular article L.225-129-2 and articles L.228-91 *et seq.* of the said Code:

- authorises the Board of Directors, which may further delegate said authority as permitted by law, to decide and to implement, on one or more occasions, the capital increase, in the proportions and at the periods that it deems appropriate, both in France and abroad, through the issue of BNP Paribas ordinary shares as well as securities addressed in articles L.228-92 paragraph 1, L.228-93 paragraphs 1 and 3, or L.228-94 paragraph 2 of the French Commercial Code that give the holder access to the share capital of BNP Paribas or that of other companies;
- decides that the nominal amount of capital increases that may be carried out immediately and/or subsequently under this delegation, may not exceed EUR 1 billion, an amount which will include, where necessary, the nominal value of any additional shares to be issued to protect the rights of holders of securities that give access to the share capital, in accordance with applicable laws and regulations;

- decides that the shareholders may exercise, under conditions defined by law, their preferential subscription rights. Furthermore, the Board of Directors will have the option of granting shareholders the right to subscribe for securities in excess of the number they are entitled to as of right, proportionally to their subscription rights and not exceeding the number of securities requested.

If the subscriptions as of right, and where applicable, subscriptions for excess shares, do not completely absorb an issue, the Board of Directors may, in an order it deems advisable, use one and/or other of the options below:

- restrict the capital increase to the amount of subscriptions, provided that this amount is not less than three-quarters of the authorised capital increase,
- freely distribute all or part of the unsubscribed securities,
- offer the public all or part of the unsubscribed securities;
- resolves that in the event of an issue of subscription warrants entitling the holder to purchase a certain number of BNP Paribas ordinary shares, this issue may take place either by a cash subscription, or by the free allocation to holders of existing shares;
- acknowledges that, where applicable, under the above-mentioned delegation, for the benefit of the holders of securities giving access to BNP Paribas' share capital, the existing shareholders waive their preferential subscription rights to the ordinary shares to which these securities give entitlement;

- decides that the Board of Directors will have all powers, which it may further delegate as permitted by law, to use this authority, primarily to determine the dates and terms of the issues as well as the form and characteristics of the securities to be created, define the prices and the terms of the issues, fix the effective date, even retroactive, of the securities to be issued, define the mode of redemption of ordinary shares or other securities issued, and the conditions under which these securities will give access to ordinary shares or the right to the allocation of debt securities, to provide, where applicable, their terms of redemption or exchange on the stock market and their potential cancellation as well as the possibility of suspending the exercise of the right to the allocation of ordinary shares attached to the securities and to set the terms according to which the rights of holders of securities, which ultimately give access to the share capital, may be preserved in compliance with legal provisions and regulations;
- decides that the Board of Directors, which may further delegate as permitted by law, may, if necessary, charge any amounts to the share premium or share premiums, in particular expenses incurred by issues, charge the costs of the capital increase to the amount of share premiums to which they pertain and deduct from this amount the sums required to make up the legal reserve, and generally take all the necessary steps and conclude all agreements required for successful completion of the issues planned and, ascertain capital increase(s) resulting from any issue carried out under this authority and amend the Articles of association accordingly;
- also decides that in the event of an issue of debt securities pursuant to this authority, the Board of Directors will also have all powers, which it may further delegate as permitted by law, in particular to determine whether or not they are subordinated, to set their interest rate and the terms of payment of interest, their maturity, which may or may not be perpetual, their fixed or variable redemption price with or without premium, their conditions for amortisation based on market conditions, and the conditions under which these securities will give access to ordinary shares;
- resolves that the Board of Directors shall not be authorised to decide on any capital increase under this delegation during any period of public offering for BNP Paribas shares;
- decides that this authority supersedes, up to the limit of unused amounts, all previous authorisations of the same nature.

The authority thus granted to the Board of Directors is valid for a period of 26 months as from this meeting.

#### TWENTIETH RESOLUTION

##### **Capital increase, without preferential subscription rights, through the issue of ordinary shares and securities giving access immediately or in the future to shares to be issued**

The Annual General Meeting, acting under conditions of quorum and majority applicable to Extraordinary General Meetings, and after having read the reports of the Board of Directors and the special report of the Statutory Auditors in accordance with the provisions of

articles L.225-129 *et seq.* of the French Commercial Code, in particular articles L.225-129-2, L.225-135, L.225-136 and L.255-148 and articles L.228-91 *et seq.* of the said Code:

- authorises the Board of Directors, which may further delegate said authority as permitted by law, to decide and to implement, on one or more occasions, the capital increase, in the proportions and at the periods that it deems appropriate, both in France and abroad, through the issue of BNP Paribas ordinary shares as well as securities addressed in articles L.228-92 paragraph 1, L.228-93 paragraphs 1 and 3, or L.228-94 paragraph 2 of the French Commercial Code that give the holder access to the share capital of BNP Paribas or that of other companies. These securities may be issued in order to pay for shares that will be tendered to BNP Paribas as part of an exchange offer carried out in France or abroad on shares meeting the conditions outlined in article L.225-148 of the Commercial Code;
- decides that the nominal amount of the capital increase that may be carried out immediately and/or subsequently under this delegation, may not exceed EUR 240 million, an amount which may include, if applicable, the nominal amount of any additional ordinary shares to be issued to protect the interests of holders of securities that give access to the share capital in accordance with applicable laws and regulations;
- decides to waive the preferential subscription rights of shareholders to the securities to be issued, and authorises the Board of Directors, who may further delegate this authority as permitted by law, if it is necessary to grant a period of subscription priority on all or part of the issue and define the terms of this period in accordance with legal and regulatory provisions. This subscription priority will not result in the creation of tradeable rights, but may, if the Board of Directors considers it appropriate, be exercised both as subscriptions as of right and subscriptions for excess shares;
- decides that if the subscriptions of shareholders and the public do not absorb the entire issue, the Board of Directors may, in an order it deems necessary, use one and/or other of the options below, provided in article L.225-134 of the French Commercial Code;
- acknowledges that, as relevant, under the above-mentioned delegation, for the benefit of the holders of securities giving access to BNP Paribas' share capital, the existing shareholders waive their preferential subscription rights to the ordinary shares to which these securities give entitlement;
- decides that the issue price of the ordinary shares issued under the above-mentioned delegation will be at least equal to the minimum price defined by statutory and regulatory provisions in force on the date of the issue (to date, the weighted average of the share price of the last three trading sessions on the Euronext Paris market prior to the fixing of the subscription price of the capital increase less 5%);
- resolves that the Board of Directors shall, in the event of a share issue aimed at paying for the securities tendered within the scope of a public exchange offer initiated by BNP Paribas, have all powers, with the option of further delegating said powers as permitted by law, to: set the exchange ratio as well as any cash balance to be paid; record the number of securities contributed to

the exchange as well as the number of ordinary shares or securities that give access to the capital to be created as payment; determine the issue dates and conditions, including the effective date, for the new ordinary shares or, where applicable, the securities that give access to the capital; and post to a "Share premium" account in the liability section of the balance sheet, which will cover the rights of all shareholders, the difference between the issue price of the new ordinary shares and their nominal value;

- decides that the Board of Directors will have all powers, which it may further delegate as permitted by law, to use this authority, primarily to determine the dates and terms of issues as well as the form and characteristics of the securities to be created, define the prices and the terms of the issues, fix the effective date, even retroactive, of the securities to be issued, define the mode of redemption of ordinary shares or other securities issued, and the conditions under which these securities will give access to ordinary shares or the right to the allocation of debt securities, to provide, where applicable, their terms of redemption or exchange on the stock market and their potential cancellation as well as the possibility of suspending the exercise of the right to the allocation of ordinary shares attached to the securities and to fix the terms according to which the rights of holders of securities, which ultimately give access to the share capital, may be preserved in compliance with legal provisions and regulations;
- decides that the Board of Directors, which may further delegate as permitted by law, may, if necessary, charge any amounts to the share premium or share premiums, in particular expenses incurred by issues, charge the costs of the capital increase to the amount of share premiums to which they pertain and deduct from this amount the sums required to make up the legal reserve, and generally take all the necessary steps and conclude all agreements required for successful completion of the issues planned and, ascertain capital increase(s) resulting from any issue carried out under this authority and amend the Articles of association accordingly;
- also decides that in the event of an issue of debt securities pursuant to this authority, the Board of Directors will also have all powers, which it may further delegate as permitted by law, in particular to determine whether or not they are subordinated, to set their interest rate and the terms of payment of interest, their maturity, which may or may not be perpetual, their fixed or variable redemption price with or without premium, their conditions for amortisation based on market conditions, and the conditions under which these securities will give access to ordinary shares;
- resolves that the Board of Directors shall not be authorised to decide on any capital increase under this delegation during any period of public offering for BNP Paribas shares;
- decides that this authority supersedes, up to the limit of unused portions, all previous authorisations of the same nature.

The authority thus granted to the Board of Directors is valid for a period of 26 months as from this meeting.

#### TWENTY-FIRST RESOLUTION

##### **Capital increase, without preferential subscription rights, through the issue of ordinary shares and securities giving access immediately or in the future to shares to be issued intended to remunerate contributions of securities up to 10% of the share capital**

The Annual General Meeting, acting under conditions of quorum and majority applicable to Extraordinary General Meetings, and after having read the Board of Directors' report, and the Auditors' special report, and in accordance with articles L.225-129 *et seq.* of the French Commercial Code, article L.225-147 paragraph 6 of the said Code and articles L.228-91 *et seq.* of the said Code:

- authorises the Board of Directors, which may further delegate said authority as permitted by law, to carry out one or more capital issues with waiving of preferential subscription rights by the issue of ordinary shares and securities addressed in articles L.228-92 paragraph 1, L.228-93 paragraphs 1 and 3 or L.228-94 paragraph 2 of the Commercial Code that give access to the share capital of BNP Paribas or other companies as consideration for capital contributions in kind granted to BNP Paribas, capital securities or marketable securities that give access to the share capital when the provisions of article L.225-148 of the French Commercial Code do not apply;
- sets at 10% of the share capital on the date of the Board of Directors decision the maximum nominal amount of the capital increase likely to result from the issues authorised by this resolution;
- authorises the Board of Directors, which may further delegate these powers as permitted by law, to approve the appraisals of the contributions, decide on capital increases to pay for the contributions and to record their completion, determine, if relevant, the amount of the balance to be paid, determine the terms and conditions ensuring, as the case may be, the preservation of rights of holders of securities that give access to the share capital, deduct, from the share premium, any expenses and fees resulting from the capital increase, deduct from this share premium the sums required for the legal reserve, amend the Company's Articles of association accordingly, and generally take all the measures and carry out all formalities necessary for the issue, listing and financial service of the ordinary shares issued by virtue of this authority as well as the exercise of rights attached to these shares;
- resolves that the Board of Directors shall not be authorised to decide on any capital increase under this delegation during any period of public offering for BNP Paribas shares.

The authority thus granted to the Board of Directors is valid for a period of twenty-six months as from this meeting and supersedes, up to the limit of unused portions, all previous authorisations of the same nature.



#### TWENTY-SECOND RESOLUTION

##### **Overall ceiling on authorisation of new issues without preferential subscription rights**

The Annual General Meeting, after having read the Board of Directors report, resolves to set at EUR 240 million the maximum nominal amount of the immediate and/or future capital increases, that could be carried out by virtue of the authorisations granted by the twentieth and twenty-first resolutions above, an amount which may include, if applicable, the nominal amount of any additional ordinary shares to be issued to protect the interests of holders of securities that give access to the share capital, in accordance with applicable laws and regulations.

#### TWENTY-THIRD

##### **Capital increase by incorporation of reserves, profits, additional paid-in capital or contributions**

The Annual General Meeting, acting under conditions of quorum and majority applicable to Ordinary General Meetings, and after having read the Board of Directors' report, and in accordance with article L.225-130 of the French Commercial Code:

- authorises the Board of Directors to increase, in one or several issues, share capital for up to a maximum nominal amount of EUR 1 billion, by the successive or simultaneous capitalisation of all or part of reserves, earnings, share premiums, merger premiums or additional paid-in capital, through the creation and free allotment of shares or by increasing the nominal values of the shares or by the combined use of the two procedures;
- decides that fractional rights will be neither tradeable nor transferable and that the corresponding equity securities will be sold and the sums arising from the sale will be allocated to the holders of rights as provided for by the law and regulations;
- decides that the Board of Directors will have all powers, which it may further delegate as permitted by law, to determine the dates and terms of issues, fix the amounts to be issued, establish that the issue has been completed and generally take all steps to ensure their proper completion, carry out all acts and formalities aimed at making definitive the corresponding capital increase or increases and amend the Articles of association accordingly;
- resolves that the Board of Directors shall not be authorised to decide on any capital increase under this delegation during any period of public offering for BNP Paribas shares.

The authority thus granted to the Board of Directors is valid for a period of twenty-six months as from this meeting and supersedes, up to the limit of unused portions, all previous authorisations of the same nature.

#### TWENTY-FOURTH RESOLUTION

##### **Overall limitation of issue authorisations, with or without preferential subscription rights**

The Annual General Meeting, after having read the Board of Directors report, resolves to fix at EUR 1 billion the maximum nominal amount of the immediate and/or future capital increases, that could be

carried out by virtue of the authorisations granted by the nineteenth to twenty-first resolutions above, an amount which may include, if applicable, the nominal amount of any additional ordinary shares to be issued to protect the interests of holders of securities that give access to the share capital, in accordance with applicable laws and regulations.

#### TWENTY-FIFTH RESOLUTION

##### **Authorisation granted to the Board of Directors to conduct transactions reserved for the members of the BNP Paribas Group Company Savings Plan, without preferential subscription rights, which may take the form of capital increases and/or reserved sales of securities**

The Annual General Meeting, acting under conditions of quorum and majority applicable to Extraordinary General Meetings, and after having read the reports of the Board of Directors and the special report of the Statutory Auditors in accordance with the provisions of articles L.3332-18 *et seq.* of the French Labour Code and articles L.225-129-2, L.225-129-6 and L.225-138-1 of the French Commercial Code, delegates its authority to the Board of Directors to increase the Company's capital on one or more occasions and at its discretion for a maximum nominal amount of EUR 46 million, by issuing ordinary shares or securities coming under articles L.228-92 paragraph 1, L.228-93 paragraph 1 and 3 or L.228-94 paragraph 2 of the French Commercial Code granting entitlement to BNP Paribas shares, reserved for members of the BNP Paribas Group Company Savings Plan.

Pursuant to the provisions of the French Labour Code, a vesting period of five years will apply to the shares issued, except in cases of early release.

The subscription price of shares issued pursuant to this delegation will be the average price of the ordinary share listed on Euronext Paris over the twenty trading days preceding the day of the Board of Directors decision to set the opening date of subscriptions. The Board of Directors may also decide to allot free ordinary shares to subscribers of new shares, in lieu of the discount and/or as the Company's contribution.

Under this delegation, the Annual General Meeting decides to waive the preferential subscription rights of shareholders to the ordinary shares to be issued in favour of members of the BNP Paribas Group Company Savings Plan.

This delegation of authority is valid for a period of twenty-six months as from this meeting.

The Annual General Meeting grants all powers to the Board of Directors, which may further delegate said powers as permitted by law, to implement this authority, within the limits and under the conditions set forth above, in particular, to:

- determine the companies or groupings whose employees may subscribe;
- set the terms and conditions of length of service that must be fulfilled by employees who subscribe for new shares, and, within legal limits, the period of time before which shares are released to employees;

- determine whether the subscriptions may be carried out directly or *via* a corporate mutual fund or other structures or entities authorised by legislative or regulatory provisions;
- set the subscription price of the new shares;
- decide on the amount to be issued, the duration of the subscription period, the effective date of the new shares, and more generally, all the terms of each issue;
- record the performance of each capital increase up to the limit of the amount of shares that will be actually subscribed;
- carry out resulting formalities and amend the Articles of association accordingly;
- at its discretion, to charge the cost of capital increase against the amount of the premium connected thereto after each capital increase, and to deduct from that account the sums necessary for bringing the legal reserve to its legal threshold;
- and generally take all measures necessary for carrying out capital increases, as provided by legal and regulatory provisions.

The Annual General Meeting resolves that the Board of Directors shall not be authorised to decide on any capital increase under this delegation during any period of public offering for BNP Paribas shares.

Pursuant to applicable legal provisions, the transactions envisaged in this resolution may also take the form of sales of ordinary shares to members of the BNP Paribas Group Company Savings Plan.

This authorisation supersedes, up to the limit of unused portions, all previous authorisations of the same nature.

#### TWENTY-SIXTH RESOLUTION

##### **Authorisation granted to the Board of Directors to reduce the share capital by cancelling shares**

The Annual General Meeting, acting in accordance with the quorum and majority requirements applicable to Extraordinary General Meetings, having reviewed the special report of the Statutory Auditors, authorises the Board of Directors, pursuant to the provisions of article L.225-209 of the French Commercial Code, to cancel, on one or more occasions, subject to a limit of 10% of the total number of shares comprising the share capital existing on the date of the transaction, in each twenty-four month period, all or some of the shares that BNP Paribas holds or could come to hold, to reduce the share capital accordingly and to allocate the difference between the purchase value of the cancelled shares and their nominal value to additional paid-in capital and available reserves, including the allocation of 10% of the cancelled share capital to the legal reserve.

The Annual General Meeting vests every authority in the Board of Directors, with the option of delegating such authority in the conditions laid down by law, to act on this authorisation, to complete any acts, formalities and declarations, including amendments to the Articles of association, and in general to do whatever it deems necessary.

This authorisation supersedes and replaces that granted by Resolution 19 of the Annual General Meeting of 23 May 2017 and is valid for a period of eighteen months from the date of this meeting.

#### TWENTY-SEVENTH RESOLUTION

##### **Amendment of Articles of association relating to the age limit of the Chairman, the Chief Executive Officer and the Chief Operating Officers**

The Annual General Meeting, acting under conditions of quorum and majority applicable to Extraordinary General Meetings, and after having read the Board of Directors' report, decides to amend articles 14 and 16 of Title IV of the Articles of association in order to:

- raise the age limit of the Chairman of the Board of Directors to 72 years, in the case of the separation of functions and consequently provide that the Board of Directors may decide to extend his functions until the end of the Annual General Meeting held to approve the financial statements of the year in which he reaches 73 years of age;
- raise the age limit of the Chief Executive Officer to 65 years, in the case of the separation of functions and consequently provide that the Board of Directors may decide to extend his functions until the end of the Annual General Meeting held to approve the financial statements of the year in which he reaches 66 years of age;
- give the Board of Directors the power to extend the functions of Chief Operating Officers until the end of the Annual General Meeting held to approve the financial statements for the year in which he reaches 66 years of age.

Paragraph 5 of article 14 of Title IV of the amended Articles of association reads as follows:

"Should the Board of Directors decide to separate the functions, the Chairman shall be deemed to have resigned automatically at the end of the Shareholders' Meeting held to approve the financial statements for the year in which he reaches 72 years of age. However, the Board may decide to extend the term of office of the Chief Executive Officer until the close of the General Shareholders' Meeting held to approve the financial statements for the year in which he reaches 73 years of age. The Chief Executive Officer shall be deemed to have automatically resigned at the close of the General Shareholders' Meeting held to approve the financial statements for the year in which he reaches 65 years of age. However, the Board may decide to extend the term of office of the Chief Executive Officer until the close of the General Shareholders' Meeting held to approve the financial statements for the year in which he reaches 66 years of age".

Paragraph 7 of article 16 of Title IV of the amended Articles of association reads as follows:

"The functions of Chief Operating Officers shall be deemed to have automatically terminated at the close of the General Shareholders' Meeting held to approve the financial statements for the year in which they reach 65 years of age. However, the Board may decide to extend the term of office of Chief Operating Officers until the close of the General Shareholders' Meeting held to approve the financial statements for the year in which they reach 66 years of age".

#### TWENTY-EIGHTH RESOLUTION

##### **Authority to complete legal formalities**

The Annual General Meeting hereby grants full powers to the bearer of an original, extract or copy of the minutes of this Combined General Meeting to carry out all legal and administrative formalities and to comply with all filing, disclosure and publication requirements stipulated by current legislation as applicable to the resolutions set out above.

# PRESENTATION OF THE RESOLUTIONS

The 2017 Registration document and annual financial report was filed with the French Financial Markets Authority (*Autorité des Marchés Financiers – AMF*) on 6 March 2018. It is available on <https://invest.bnpparibas.com/>. It will also be available during registration at the Meeting. This notice of meeting has also been posted online.

## FIRSTLY, THE BOARD PROPOSES THE ADOPTION OF EIGHTEEN RESOLUTIONS BY THE ORDINARY GENERAL MEETING

### FIRST AND SECOND RESOLUTIONS

The first two resolutions concern the approval of the BNP Paribas parent company and consolidated financial statements for the year ended 31 December 2017, after reading the Board of Directors' and the Statutory Auditors' reports.

### THIRD RESOLUTION

The third resolution proposes the allocation of the Company's 2017 income and the payment of the dividend.

BNP Paribas SA posted net income of EUR 3,156.98 million, along with retained earnings carried forward of EUR 29,877.01 million, thus taking the total amount to be allocated to EUR 33,033.99 million.

The dividend paid to shareholders is EUR 3,771.56 million, with a total of EUR 29,262.44 million allocated to retained earnings; the pay-out ratio would therefore be 50% of consolidated income, an increase compared with 2017 (pay-out ratio of 45% of 2016 income).

The dividend of EUR 3.02 per share would represent an increase of 11.9% compared to the 2017 dividend (distributed in respect of the 2016 financial year).

The ex-dividend date would be 30 May 2018 for payment in cash on 1st June 2018 with a record date at the close of business on 31 May 2018.

### FOURTH RESOLUTION

In the day-to-day life of any company, and especially one that represents the cornerstone of a group of companies, agreements may occur directly or indirectly between it and another company with which it has common corporate officers, or even between the Company and its corporate officers, or a shareholder holding more than 10% of the share capital. In order to prevent potential conflicts of interest, these agreements are given prior authorisation by the Board of Directors and must then be approved by the Annual General Meeting after hearing the special report of the Statutory Auditors pursuant to articles L.225-38 *et seq.* of the French Commercial Code; this is the purpose of the fourth resolution.

BNP Paribas signed no new agreement during the 2017 financial year.

### FIFTH RESOLUTION

The fifth resolution proposes that shareholders authorise the Board, for eighteen months, to implement a Company share buyback programme, up to the maximum allowed by law, *i.e.* 10% of the share capital.

These buybacks may take place for various purposes, in particular:

- the allocation or assignment of shares:
  - to employees as part of Company profit sharing or savings plans,
  - to employees and corporate officers of BNP Paribas or Group companies as part of stock option or bonus share programmes or any other form of allocation of shares;
- exchange or payment to conduct external growth transactions, mergers, spin-offs or asset contributions;
- the cancellation of shares after approval by the Extraordinary General Meeting (see twenty-sixth resolution);
- the implementation of a liquidity agreement;
- transactions carried out as part of normal commercial activities.

The acquisitions would be carried out by any means, including through negotiations of blocks or the use of derivatives.

The maximum purchase price is set at EUR 73 per share. It is the same as the one currently in use.

Purchases may occur at any time, **except in the case of public offers for the Company's shares.**

This authorisation will only be used by the Board of Directors after prior agreement from the European Central Bank (ECB). Furthermore, the Board of Directors shall ensure that such buybacks are conducted in compliance with prudential requirements as laid down by regulations and the ECB.



**SIXTH, SEVENTH AND EIGHTH RESOLUTIONS**

In the sixth, seventh and eighth resolutions, shareholders are asked to reappoint Deloitte & Associés, Mazars and PricewaterhouseCoopers Audit as Statutory Auditors, and to reappoint BEAS as Alternate Auditor. Shareholders are also asked to appoint as Alternate Auditors Mr. Charles de Boisriou and Mr. Jean-Baptiste Deschryver, to replace M. Michel Barbet-Massin and Ms. Anik Chaumartin respectively, whose terms of office have expired. These appointments are for a period of six years that will expire at the end of the Ordinary General Meeting called in 2024 to approve the financial statements for the 2023 financial year.

The fees of Statutory Auditors are set out in detail each year in the Registration document and annual financial report. This information is to be found in note 7k of the 2017 document.

**NINTH, TENTH AND ELEVENTH RESOLUTIONS**

The ninth, tenth and eleventh resolutions ask the Meeting to renew the terms of office of Mr Pierre-André de Chalendar, Mr Denis Kessler and Ms Laurence Parisot (see biographies in the appendix). These terms of office would be renewed for a period of three years, and would therefore cease at the end of the Ordinary General Meeting called in 2021 to approve the financial statements for 2020.

**Pierre André de Chalendar**, 60 years old, is Chief Executive Officer of the Compagnie de Saint-Gobain. He has been a member of the Bank's Board of Directors since the Annual General Meeting of 23 May 2012. As independent Director within the meaning of the Afep-Medef Code, he chairs the Remuneration Committee and is a member of the Corporate Governance, Ethics, Nominations and CSR Committee.

The Board of Directors believes that the personality, industrial expertise and managerial and international experience of Mr Pierre André de Chalendar qualify him to continue to exercise with the required independence his functions of Director within the BNP Paribas Board of Directors.

Pierre André de Chalendar complies with the terms of the Afep-Medef Code and the provisions of the French Monetary and Financial Code regarding the number of directorships.

**Denis Kessler**, 66 years old, is Chairman and Chief Executive Officer of SCOR SE. He has been a member of the Bank's Board of Directors since the Annual General Meeting of 23 May 2000. He is the Chairman of the Financial Statements Committee and also chairs the joint meetings of the Financial Statements Committee and the Internal Control, Risk Management and Compliance Committee.

The Board of Directors believes that Denis Kessler's expertise in the areas of insurance and reinsurance will contribute to the diversity of the corporate body. He has also been Deputy Vice-Chairman of the MEDEF for four years. Moreover, during his successive terms as Director at BNP Paribas, he was able to demonstrate critical thinking.

The Board also recognises Denis Kessler's financial and risk management expertise, strengthened by his position as the Chairman and Chief Executive Officer of one of the world's major reinsurance companies. The independence and the dedication that he has shown throughout his terms of office and in his duties with the Financial Statements Committee qualify him to continue to hold the position of Director of the BNP Paribas Board of Directors.

Denis Kessler complies with the terms of the Afep-Medef Code and the provisions of the French Monetary and Financial Code regarding the number of directorships.

**Laurence Parisot**, 58 years, is the Chief Development Officer at Gradiva. She was appointed Director of BNP Paribas at the Shareholders Meeting of 23 May 2006. Her expertise in corporate governance (Chairwoman for eight years and then Honorary Chairwoman for three years of the French employers union MEDEF) and her active participation as a member of the Board of Directors and as a member (since 2007) and then Chairwoman (since 2015) of the BNP Paribas Corporate Governance, Ethics, Nominations and CSR Committee are strong assets for the Bank.

With respect to her current term as Director, Ms. Parisot meets the independence criteria contained in the Corporate Governance Code and reviewed by the Board of Directors. Laurence Parisot would no longer be considered independent strictly speaking, if she were to be re-elected during the Annual General Meeting of 24 May 2018.

The Board of Directors believes that the personality, independent thinking, international experience and the dedication with which Laurence Parisot fulfils her duties and contributes to the work of the Corporate Governance, Ethics, Nominations and CSR Committee qualify her to continue her position as Director within the BNP Paribas Board of Directors.

Ms Parisot complies with the terms of the Afep-Medef Code and the provisions of the French Monetary and Financial Code regarding the number of directorships.

### Remarks concerning the membership of the Board of Directors

At the conclusion of the Annual General Meeting of 23 May 2017 and as of 31 December 2017, the Board of Directors had fourteen members, including twelve appointed by shareholders and two elected by employees. Women accounted for 41.7% (5/12) of the

Directors appointed by shareholders. Four nationalities are represented on the Board. (Germany, Belgium, United States and France).

### Independence of Directors (as of 31 December 2017):

The following table shows the position of each Director with regard to the independence criteria contained in the Corporate Governance Code to define an independent Director:

Criteria	Jean LEMIERRE	Jean-Laurent BONNAFÉ	Jacques ASCHENBROICH	Pierre André de CHALENDAR	Monique COHEN	Marion GUILLOU	Denis KESSLER	Nicole MISSON	Laurence PARISOT	Daniela SCHWARZER	Michel TILMANT	Wouter DE PLOEY	Sandrine VERRIER	Fields WICKER-MIURIN
1 Employee or corporate officer of the Company within the previous five years	o	o	v	v	v	v	v	o	v	v	v	v	o	v
2 Whether or not corporate offices are held in another company	v	v	v	v	v	v	v	v	v	v	v	v	v	v
3 Whether or not significant business relationships exist	v	v	v	v	v	v	v	v	v	v	v	v	v	v
4 Whether or not there are close family ties to a corporate officer	v	v	v	v	v	v	v	v	v	v	v	v	v	v
5 Not an auditor of the Company within the previous five years	v	v	v	v	v	v	v	v	v	v	v	v	v	v
6 Not a Director of the Company for more than 12 years	v	v	v	v	v	v	o <sup>(*)</sup>	v	v	v	v	v	v	v
7 Major shareholder status	v	v	v	v	v	v	v	v	v	v	v	v	v	v

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

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

(\*) See explanation below.

The following Directors meet the independence criteria contained in the Corporate Governance Code and reviewed by the Board of Directors: Monique Cohen, Marion Guillou, Laurence Parisot, Daniela Schwarzer, Fields Wicker-Miurin, Jacques Aschenbroich, Pierre André de Chalendar, Wouter De Ploey and Michel Tilmant.

In particular, for Monique Cohen, Jacques Aschenbroich, Pierre André de Chalendar and Denis Kessler, the Board of Directors confirmed that the business relations between BNP Paribas and respectively (i) Apax Partners, as well as the companies in which Apax Partners holds interests, (ii) Valeo and its group (iii) Saint-Gobain and its group, and (iv) the SCOR SE group are not significant (the revenue generated by each of these business relations accounted for less than 0.5% of the total revenue reported by BNP Paribas).

Finally, during the period of more than 12 years that Denis Kessler has sat on the Board, he has served under three successive Chief Executive Officers each having managed the Bank in accordance with his own personality and his own methods and practices. The current Chief Executive Officer has only been in office for six years. The Board of Directors deems that Denis Kessler's critical faculties are renewed with each effective change of management, thereby guaranteeing his independence. The Board also took into consideration Denis Kessler's financial expertise, a critical factor in understanding banking mechanisms (Doctorate in economics and HEC graduate), reinforced by his position as the Chairman and Chief Executive Officer of one of world's major reinsurance companies.

The two employee representatives on the Board, Nicole Misson and Sandrine Verrier, do not qualify as independent Directors pursuant to the criteria contained in the Corporate Governance Code, despite their status and the method by which they were elected, which nevertheless guarantee their independence.

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

Should the Annual Meeting vote in favour of the three resolutions related to its composition, the Board of Directors would comprise 14 members including two elected by employees. The proportion of independent Directors would stand at 64.3% pursuant to the criteria for independence defined in the Corporate Governance Code and according to the Board of Directors' assessment.

It would be comprised of six women and eight men; therefore a proportion of 42.9% female Directors and 41.7% in terms of female Directors elected solely by the shareholders. The number of Directors with foreign nationality would be 4 out of 14 members, *i.e.* a proportion of 28.6% international members (33.3% of Directors appointed solely by the Annual General Meeting).

#### TWELFTH, THIRTEENTH, FOURTEENTH, FIFTEENTH AND SIXTEENTH RESOLUTIONS

These five resolutions submitted for the approval of shareholders all concern the remuneration of executive corporate officers. They result from the application of Law No. 2016-1691 on "transparency, combating corruption and modernising the economy" of 9 December 2016, known as the Sapin 2 Law.

**In the twelfth and thirteenth resolutions**, shareholders are therefore asked, pursuant to article L.225-37-2 of the French Commercial Code, to approve the remuneration policy applicable to the Chairman of the Board of Directors on one hand, and to the Chief Executive Officer and Chief Operating Officer on the other hand, after having read the Board of Directors' report on corporate governance. This report is reproduced below in the section **A**) Remuneration policy of executive corporate officers, and is also included in

Chapter 2 of the 2017 Registration document and annual financial report, which may be consulted on the web site <https://invest.bnpparibas.com/en/registration-documents-annual-financial-reports>. This policy has also been published on-line at the address <https://invest.bnpparibas.com/remunerations-des-dirigeants-mandataires-sociaux> as soon as it has been adopted by the Board. It sets out, without any significant changes, the policy agreed for the 2017 financial year and presented to the Annual General Meeting of 23 May 2017.

The **fourteenth, fifteenth and sixteenth resolutions** submit to approval of shareholders, pursuant to article L.225-100 II of the French Commercial Code, the components of remuneration paid or awarded for the 2017 financial year to Jean Lemierre, Chairman of the Board of Directors, Jean-Laurent Bonnafé, Chief Executive Officer, and Philippe Bordenave, Chief Operating Officer. The amounts were determined in accordance with the remuneration policy approved last year. For each of these executive corporate officers, a table presents the mechanisms and amounts of the components of remuneration paid or awarded for the 2017 financial year. Note that the payment of the annual variable remuneration of Jean-Laurent Bonnafé and Philippe Bordenave for the 2017 financial year is subject to the approval of the Annual General Meeting pursuant to article L.225-100 of the French Commercial Code.

These last three proposals are subject to the shareholders' vote for the first time.

The details of the remuneration paid or awarded for 2017 are presented in Chapter **(B)** below. This information is also available online at the address <https://invest.bnpparibas.com/remunerations-des-dirigeants-mandataires-sociaux>.

The law requires in effect the *ex ante* approval every year by the Annual General Meeting of the remuneration policy for executive corporate officers (see twelfth and thirteenth resolutions), and the application of the approved provisions are submitted to an *ex post* vote on the payments made and the awards determined according to the principles set out one year before. The Annual General Meeting then approves (see fourteenth to sixteenth resolutions) the components (fixed, variable and extraordinary) of total remuneration and benefits in kind paid and awarded in respect of the previous financial year.

## A) Remuneration policy for executive corporate officers put to the shareholders' vote, in accordance with article L.225-37-2 of the French Commercial Code, at the Annual General Meeting on 24 May 2018

In this report, the Board of Directors provide details of the fixed, variable and extraordinary components of total remuneration and benefits of any kind, attributable to the Chairman of the Board of Directors, the Chief Executive Officer and the Chief Operating Officer for their corporate offices within BNP Paribas SA.

The elements of the remuneration policy presented below are the subject of resolutions submitted for the approval of the Shareholders' Annual General Meeting voting under the quorum and majority conditions required for Ordinary Annual General Meetings.

With regard to the Chief Executive Officer and the Chief Operating Officer, payment of the variable components of their remuneration for the previous year will be subject to approval by the Ordinary Annual General Meeting of the components of remuneration of the corporate officer in question under the conditions provided for by article L.225-100 of the French Commercial Code. This provision is applicable for the first time for variable and extraordinary components of remuneration paid or awarded for 2017. This does not affect the Chairman of the Board of Directors since he does not receive any variable remuneration.

The remuneration policy for the executive corporate officers complies with applicable legislation, the Afep-Medef Corporate Governance Code and the BNP Paribas Responsibility Charter. The remuneration paid to the executive corporate officers is determined by the Board of Directors and is based on the proposals of the Remuneration Committee. This committee is comprised of three independent Directors and one Director representing the employees.

### I. REMUNERATION OF THE CHAIRMAN OF THE BOARD OF DIRECTORS

The Chairman does not receive any annual or multi-annual variable remuneration.

The Chairman's fixed remuneration amounts to EUR 950,000 gross.

The absence of variable remuneration reflects the independence of the Chairman with respect to the Executive Management.

### II. REMUNERATION OF EXECUTIVE MANAGEMENT

Remuneration includes:

- a fixed component;
- an annual variable component; and
- a conditional long-term incentive plan (LTIP), which forms the multi-annual variable component.

The levels of these different components are determined using market benchmarks based on surveys of executive remuneration.

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

The definition of the terms of remuneration paid to the corporate officers takes into account the following purposes:

- alignment with the Bank's social interest and with that of its shareholders:
  - consistency with a medium to long-term outlook, especially in terms of the growth of the Bank's value, good risk management and the relative performance of its share,
  - integration of extra-financial assessment criteria, notably by taking the CSR dimension into account in the qualitative criteria contributing to the determination of remuneration,
  - guarantee of sufficient variability in the amounts allocated to reflect changes in the Bank's progress without weighing too heavily on fixed expenses;
- transparency of remuneration:
  - thoroughness: all components (fixed, annual variable, multi-annual variable) are used in the overall assessment of the remuneration,
  - balance between the components of remuneration, which must contribute to the general interest of the Bank and reflect best market practices and legal and regulatory constraints,
  - intelligibility of stable and strict rules;
- attractiveness, in order to select with rigour the profiles recognised as particularly competent in the fields of the Group's activity.

Should a new Chairman be appointed, on the proposal of the Remuneration Committee, the Board of Directors will set the fixed remuneration in line with the new Chairman's profile and experience.

In accordance with paragraph 2 of said article, the BNP Paribas SA Shareholders' Annual General Meeting on 13 May 2015 decided that this cap would be set at twice the fixed remuneration amount; this decision will be put to the vote again at the Shareholders' Annual General Meeting on 24 May 2018.

For the purposes of calculating the aforementioned ratio, a discount rate may in addition be applied to no more than 25% of the total variable remuneration inasmuch as the payment is made in the form of instruments deferred for at least 5 years, in accordance with article L.511-79 of the French Monetary and Financial Code.

## 1. Fixed salary

The Chief Executive Officer's annual fixed remuneration is set at EUR 1,562,000 gross.

The Chief Operating Officer's annual fixed remuneration amounted to EUR 1,000,000 gross.

Should a new Chief Executive or a new Chief Operating Officer be appointed, on the proposal of the Remuneration Committee, the Board of Directors will set their fixed remuneration according to their profiles and experience. Annual and multi-annual variable remuneration components will be set in line with the principles appearing in this report.

## 2. Annual variable remuneration

The variable component is intended to reflect the effective contribution of executive corporate officers to the success of BNP Paribas in respect of their functions as executive managers of an international financial services group.

### a) General principles

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

It varies in accordance with criteria representative of the Group's results and the qualitative assessment by the Board of Directors.

Yearly variable remuneration includes "malus" and "clawback" arrangement, as well as a cancellation clause in the event of a bank resolution measure, in accordance with the same terms and conditions as those described below for the LTIP (see **3** below).

### b) Group performance criteria (quantitative)

Criteria linked to the performance of the Group apply:

- to 75% of target variable remuneration; and
- enable the calculation of the corresponding portion of the remuneration in a manner proportional to numerical indicators.

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

The quantitative criteria apply to the Group's overall performance, based on two criteria that are given equal weighting:

- ratio of net earnings per share for the year to net earnings per share for the previous year (37.5% of target variable remuneration);
- percentage achievement of the Group's budgeted gross operating income (37.5% of the target variable remuneration).

### c) Personal criteria (qualitative)

The variable portion of remuneration linked to qualitative assessment by the Board of Directors is capped at 25% of the target variable remuneration.

The performance of this qualitative assessment by the Board of Directors is considered essential, especially in view of the reinforcement of its responsibilities for monitoring and control provided by the French Monetary and Financial Code since 2014 (thereby implementing CRD 4). In addition to the Bank's strategy, which it must approve, the Board of Directors must also assess the performance of Executive Management based on their capacities for anticipation, decision-making, leadership and exemplary behaviour.

The Board assesses the qualitative aspect of annual variable remuneration, looking at implementation of the strategic guidelines of the Bank, in particular its transformation plan and its human, organisational, technical and CSR dimensions in the general context of the year under consideration.

## Summary of criteria for setting annual variable remuneration

Criteria applicable	% of fixed remuneration	Chief Executive Officer Chief Operating Officer
QUANTITATIVE Group performance-related criteria	37.50%	■ Change in earnings per share
	37.50%	■ Achievement of target gross operating income
QUALITATIVE Personal criteria	25.00%	Assessment with regard to implementation of the Bank's strategic guidelines, particularly the human, organisational and technical dimensions of its transformation plan, as well as CSR, in the general context of the year under consideration.

### d) Ceiling

The Board of Directors ensures that annual variable remuneration is in line with the Group's results.

In any event, the amount of annual variable remuneration awarded to each of the corporate officers is capped at 120% of their fixed remuneration.

### e) Terms and conditions of payment

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

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

- regarding the non-deferred portion of the variable remuneration:
  - half will be paid in cash in May of the year of the award, subject to the approval of the Shareholders' Annual General Meeting under the terms provided for by article L.225-100 of the French Commercial Code; and less Directors' fees received within the Group for entities other than BNP Paribas SA,
  - and half will be paid in cash, indexed to BNP Paribas share performance, at the end of a one-year holding period starting on the award date (award date is the date of the Board of Directors), or in March of the year following the year in which the remuneration is awarded;
- the deferred portion of the variable remuneration will be paid on an annual basis in five instalments over five years, the first instalment only being paid at the end of a deferred period of one year from the award date of the variable remuneration, provided that the Group's ROE before tax for the year preceding the payment is greater than 5%. Each instalment will be paid:
  - half in cash in March every year,
  - and half in cash, indexed to BNP Paribas share performance, in March of the following year, at the end of a one-year holding period.

### 3. Conditional Long-Term Incentive Plan (LTIP) covering a five-year period

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

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

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

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

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

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

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

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

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

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

Relative performance of the BNP Paribas share in relation to the performance of the EURO STOXX Banks index	Effect on the second half of the award amount
Lower or equal	100% reduction
Higher by 5 points or equal	50% reduction
5 to 10 points included higher	20% reduction
10 points higher	Full rate

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

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



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

### c) Ceiling

- According to the provisions of article L.511-78 of the French Monetary and Financial Code relating to the cap on the variable component as a percentage of the fixed component, total variable remuneration awarded, including amounts awarded under the LTIP, may not be more than twice the fixed remuneration, in accordance with the decision of the Shareholders' Annual General Meeting on 13 May 2015. The Annual General Meeting of 24 May 2018 will be asked to renew this ceiling.
- To calculate the ratio, a discount rate may in addition be applied to no more than 25% of the total variable remuneration inasmuch as the payment is made in the form of instruments deferred for at least five years.

### d) Payment of LTIP

In application of the factor mentioned above, in line with the change in the BNP Paribas share price, the first half of the LTIP award may not exceed 175% of the initial award amount. Payment of the second half of the award may not, under any circumstances, exceed the total award amount.

Thus, payments under the LTIP may not exceed 137.5% of their award value.

## III. EXTRAORDINARY REMUNERATION

No extraordinary remuneration may be paid to the Chairman of the Board of Directors, the Chief Executive Officer or the Chief Operating Officer.

## IV. BENEFITS IN KIND

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

## V. STOCK OPTION OR SHARE PURCHASE SUBSCRIPTION PLANS

The Group's corporate officers do not benefit from any stock option or share purchase subscription plans.

## VI. PERFORMANCE SHARES

The Group's corporate officers do not benefit from any performance or free shares.

## VII. POST-EMPLOYMENT BENEFITS

### 1. Payments and benefits due or likely to become due upon termination or change of duties

Executive corporate officers do not receive any contractual remuneration for termination of their term of office.

### 2. Post-employment benefits

The Chairman of the Board of Directors and the Chief Executive Officer do not receive post-employment benefits in the event of retirement.

The Chief Operating Officer is entitled to the standard retirement benefits awarded to all BNP Paribas SA employees pursuant to his initial employment contract.

### e) Continued employment requirement

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

### f) Malus and Claw-back clauses

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

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

The Board of Directors reserves the right to reduce awards under the LTIP.

#### 4. Welfare benefit plans

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

They also receive death and disability insurance, which covers all employees of BNP Paribas SA.

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

#### 5. Non-compete agreement

Please note, for information purposes, that the Chief Executive Officer signed a non-compete agreement with BNP Paribas SA on

25 February 2016. This agreement was approved by the Annual General Meeting of 26 May 2016 pursuant to the provisions of article L.225-38 of the French Commercial Code.

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

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

The provisions of the non-compete agreement are consistent with the recommendations of the Afep-Medef Code.

### VIII. LOANS, ADVANCES AND GUARANTEES GRANTED TO THE GROUP'S EXECUTIVE CORPORATE OFFICERS

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

These loans, representing normal transactions, are granted on an arm's length basis.

## B) Remuneration of executive corporate officers paid or awarded for 2017, in accordance with the remuneration policy approved by the Annual General Meeting on 23 May 2017

The information below shows gross remuneration amounts awarded, before tax and social security deductions.

### I. REMUNERATION OF THE CHAIRMAN OF THE BOARD OF DIRECTORS

In accordance with the remuneration policy, the fixed remuneration paid to Jean Lemierre in his capacity as Chairman amounted to EUR 950,000 in 2017.

The Chairman's remuneration is unchanged from 2016.

### II. REMUNERATION OF EXECUTIVE MANAGEMENT

#### 1. Fixed remuneration

##### Summary of fixed remuneration of the Executive Management

In euros	Fixed remuneration paid in 2017	Comments
Jean-Laurent BONNAFÉ	1,562,000	Most recent increase in fixed remuneration dated 25 February 2016 effective as of 1st January 2016
Philippe BORDENAVE	1,000,000	Most recent increase in fixed remuneration dated 25 February 2016 effective as of 1st January 2016



## 2. Annual variable remuneration

### a) Assessment of the achievement of the targets set for 2017

At its meeting of 5 February 2018, the Board of Directors assessed the achievement of the objectives set in accordance with the remuneration policy.

#### Group performance criteria (quantitative)

The Board of Directors reviewed the achievement of the quantitative portion of the annual variable remuneration in terms of the criteria provided for in the remuneration policy.

As regards the criterion of ratio of net earnings per share to net earnings per share for the previous year, its measure was equal to 37.81% of the target variable remuneration for 2017.

As regards the criterion of achievement of the Group's budgeted gross operating income, its measure was equal to 38.13% of the target variable remuneration for 2017.

#### Personal criteria (qualitative)

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

For 2017, the Board determined that Jean-Laurent Bonnafé had principally achieved the following:

- decisive role in managing the Bank and customer relations;
- launch of an ambitious strategic plan intended to speed up the Company's human, organisational and technological transformation, with the first practical results being seen in the area of mobile platform and application launches or partnerships signed;

- ongoing promotion of the code of conduct by strengthening governance, risk identification, deployment of controls and tools, employee empowerment and HR and managerial processes;
- creation of the Commitment Department:
  - with increased focus on CSR-related issues such as climate and health, termination of relations with operators whose main business relates to shale gas or oil and/or oil extracted from oil sands, commitment to neutralise CO<sub>2</sub> emissions linked to the Company's operation,
  - considerable personal involvement in societal issues relating to youth, diversity or inclusion;

and for Philippe Bordenave, in line with the outcomes assessed for Jean-Laurent Bonnafé:

- the implementation of the 2017-2020 Development and Transformation Plan, especially the financial, cost control and technological innovation aspects;
- the deployment of regulatory reform-related systems;
- fulfilment of the commitments of Group CSR Policy;
- the active involvement in issues relating to improving the Group's information systems.

#### Summary

After taking into account both quantitative and qualitative criteria, and evolution of the Group's operating results, the Board of Directors, on the proposal of the Remuneration Committee, set the variable remuneration awarded in respect of 2017 at:

- EUR 1,576,758 for Jean-Laurent Bonnafé (representing 101% of his target variable remuneration);
- EUR 1,009,448 for Philippe Bordenave (representing 101% of his target variable remuneration).

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

In euros		Qualitative criteria	Quantitative criteria		Variable remuneration set by the Board	Reminder of target variable remuneration
			Group EPS <sup>(2)</sup>	Group GOI <sup>(3)</sup>		
Jean-Laurent BONNAFÉ	Weighting <sup>(1)</sup>	25.00%	37.50%	37.50%		
	Measurement <sup>(1)</sup>	25.00%	37.81%	38.13%	<b>1,576,758</b>	1,562,000
Philippe BORDENAVE	Weighting <sup>(1)</sup>	25.00%	37.50%	37.50%		
	Measurement <sup>(1)</sup>	25.00%	37.81%	38.13%	<b>1,009,448</b>	1,000,000

(1) As a percentage of target variable remuneration.

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

(3) Percentage achievement of target gross operating income.

#### b) Terms and conditions of payment

The payment terms for variable remuneration of BNP Paribas Group executive corporate officers in respect of 2017, in accordance with the provisions of the French Monetary and Financial Code and the European Banking Authority's December 2015 guidelines on remuneration policy are:

- 60% of variable remuneration is deferred over five years, at the rate of one-fifth per year;
- half of the non-deferred portion of the variable remuneration is paid in May 2018, subject to the approval of the Shareholders' Annual General Meeting under the terms provided for by article L.225-100 of the French Commercial Code, less Directors' fees received within the Group in 2017 for entities other than BNP Paribas SA; and half in March 2019, indexed to the performance of the BNP Paribas share,

- the deferred portion of the variable remuneration will be paid in fifths starting in 2019. Each payment will be made half in March every year, and half in March of the following year, indexed to the performance of the BNP Paribas share. The last payment in respect of 2017 will be made in March 2024.

In addition, the annual payment of the deferred variable remuneration is subject to the condition that the ROE before tax of the Group for the year preceding the payment is greater than 5%.

The Board found that this performance condition was met in 2017; accordingly, deferred remuneration payable in 2018 in respect of previous plans will be paid out.

### 3. Conditional Long-Term Incentive Plan (LTIP) covering a five-year period

#### LTIP amounts awarded in 2018

In accordance with the remuneration policy and on the proposal of the Remuneration Committee, the Board of Directors set the LTIP amounts to be awarded in 2018.

The amount awarded under the LTIP is equal to the target annual variable remuneration for 2017.

#### LTIP awarded on 5 February 2018

(amounts in euros)	Total awarded <sup>(*)</sup>	Fair value of the amount awarded <sup>(**)</sup>
Jean-Laurent BONNAFÉ	1,562,000	479,065
Philippe BORDENAVE	1,000,000	306,700

(\*) See explanation above.

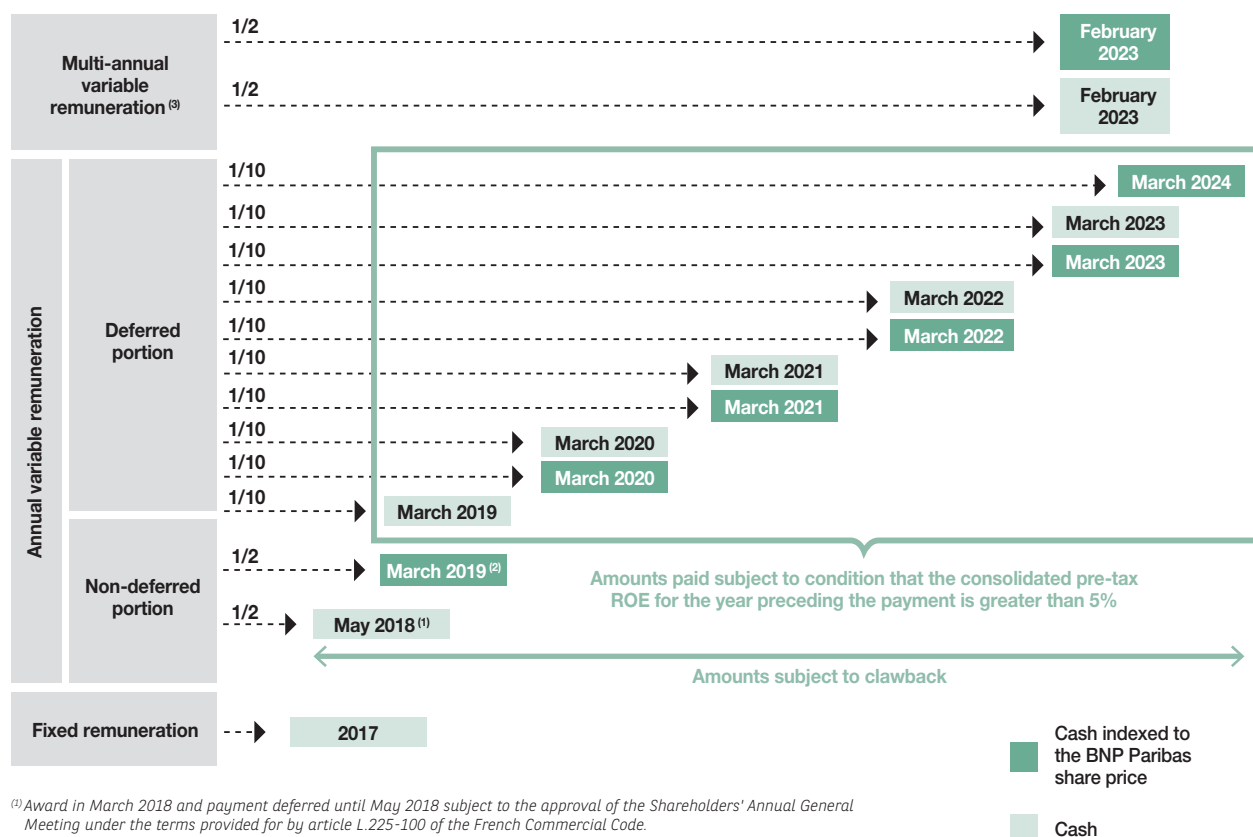
(\*\*) Fair value in accordance with IFRS of 30.67% of the amount awarded. The calculation is carried out by an independent expert.

### 4. Summary of the remuneration of sitting executive corporate officers in place as at 31 December 2017

The cap on total variable remuneration provided for by article L.511-78 of the French Monetary and Financial Code was not exceeded. Pursuant to article L.511-79 of the French Monetary and Financial Code, a discount rate may in addition be applied to no more than 25% of total variable remuneration inasmuch as the payment is made in the form of instruments deferred for at least 5 years.

After applying the discount rate to the variable remuneration amounts awarded in the form of instruments deferred for five years (55.81% in accordance with applicable regulations (EBA guidelines on application of the notional discount rate for variable remunerations, published on 27 March 2014), the ratio between total variable remuneration and fixed remuneration is 1.79 for the Chief Executive Officer and the Chief Operating Officer for 2017.

a) Breakdown over time of payment of remuneration in respect of 2017



<sup>(1)</sup> Award in March 2018 and payment deferred until May 2018 subject to the approval of the Shareholders' Annual General Meeting under the terms provided for by article L.225-100 of the French Commercial Code.  
<sup>(2)</sup> Payment at the end of a one-year holding period starting on the date of the annual variable remuneration award.  
<sup>(3)</sup> The LTIP is a 5-year plan, payment will be made at the end of the five-year period.

b) Total remuneration awarded in respect of 2017 and comparison with 2016

In euros	Jean-Laurent BONNAFÉ		Philippe BORDENAVE	
	2016	2017	2016	2017
Fixed remuneration amount	1,562,000	1,562,000	1,000,000	1,000,000
Annual variable remuneration awarded	1,651,000	1,576,758	1,057,000	1,009,448
<b>Sub-total</b>	<b>3,213,000</b>	<b>3,138,758</b>	<b>2,057,000</b>	<b>2,009,448</b>
LTIP amount (fair value) <sup>(*)</sup>	775,767	479,065	496,650	306,700
<b>TOTAL</b>	<b>3,988,767</b>	<b>3,617,823</b>	<b>2,553,650</b>	<b>2,316,148</b>

(\*) This is an estimated value on the award date. The final amount will be known on the date of payment.

### III. TOP-UP PENSION PLAN

Jean Lemierre, Jean-Laurent Bonnafé and Philippe Bordenave are not covered by any defined-benefit top-up pension plans.

The executive corporate officers benefit solely from the defined-contribution top-up pension plan set up for all BNP Paribas SA employees, in accordance with article 83 of the French General Tax Code. The amount of contributions paid by the Company in 2017 was EUR 431 per beneficiary for the whole year.

### IV. WELFARE BENEFIT PLANS

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

They also receive death and disability insurance, which covers all employees of BNP Paribas SA.

The total amount of contributions paid by BNP Paribas for welfare benefit plans and health cover amounted to EUR 3,180 per beneficiary for the full year.

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

BNP Paribas SA's annual employer contribution was EUR 1,460 per beneficiary for 2017.

### V. HOLDING OF SHARES RESULTING FROM THE EXERCISE OF STOCK OPTIONS

The Board of Directors has decided that the minimum number of shares that Jean Lemierre, Jean-Laurent Bonnafé and Philippe Bordenave shall be required to hold for the duration of their terms of office shall be 10,000, 80,000 and 30,000 shares, respectively. The three interested parties have complied with this obligation, through the direct ownership of shares or units in the Company Savings Plan fully invested in BNP Paribas shares.

Summary table of the remuneration awarded in 2016 and 2017 to each executive corporate officer

In euros		2016	2017
		Total awarded	Total awarded
Jean LEMIERRE Chairman of the Board of Directors	Fixed remuneration	950,000	950,000
	Annual variable remuneration	None	None
	Multi-annual variable remuneration	None	None
	Value of stock options granted during the year	None	None
	Value of performance shares awarded during the year	None	None
	<b>Sub-total</b>	<b>950,000</b>	<b>950,000</b>
	Extraordinary remuneration	None	None
	Directors' fees	58,406	62,344
	Benefits in kind <sup>(2)</sup>	3,632	3,632
	<b>TOTAL</b>	<b>1,012,038</b>	<b>1,015,976</b>
Jean-Laurent BONNAFÉ Chief Executive Officer	Fixed remuneration	1,562,000	1,562,000
	Annual variable remuneration	1,651,000	1,576,758
	Multi-annual variable remuneration <sup>(1)</sup>	775,767	479,065
	Value of stock options granted during the year	None	None
	Value of performance shares awarded during the year	None	None
	<b>Sub-total</b>	<b>3,988,767</b>	<b>3,617,823</b>
	Extraordinary remuneration	None	None
	Directors' fees	58,406	62,344
	Benefits in kind <sup>(2)</sup>	4,626	6,127
	<b>TOTAL</b>	<b>4,051,799</b>	<b>3,686,294</b>
Philippe BORDENAVE Chief Operating Officer	Fixed remuneration	1,000,000	1,000,000
	Annual variable remuneration	1,057,000	1,009,448
	Multi-annual variable remuneration <sup>(1)</sup>	496,650	306,700
	Value of stock options granted during the year	None	None
	Value of performance shares awarded during the year	None	None
	<b>Sub-total</b>	<b>2,553,650</b>	<b>2,316,148</b>
	Extraordinary remuneration	None	None
	Directors' fees	None	None
	Benefits in kind <sup>(2)</sup>	5,308	3,953
	<b>TOTAL</b>	<b>2,558,958</b>	<b>2,320,101</b>

(1) Value of amount awarded subject to performance conditions.

(2) The Chairman of the Board of Directors, the Chief Executive Officer and the Chief Operating Officers have a company car and a mobile phone. The Chief Executive Officer and Chief Operating Officer receive Executive Committee professional life insurance, for which the Company's contribution is recognised as a benefit in kind.

Summary table of the remuneration paid in 2016 and 2017 to each executive corporate officer

In euros		2016	2017
		Total paid	Total paid
<b>Jean LEMIERRE</b> Chairman of the Board of Directors	Fixed remuneration	950,000	950,000
	Annual variable remuneration	None	None
	Multi-annual variable remuneration	None	None
	Extraordinary remuneration	None	None
	Directors' fees	58,406	62,344
	Benefits in kind <sup>(1)</sup>	3,632	3,632
	<b>TOTAL</b>	<b>1,012,038</b>	<b>1,015,976</b>
<b>Jean-Laurent BONNAFÉ</b> Chief Executive Officer	Fixed remuneration	1,562,000	1,562,000
	Annual variable remuneration	1,653,190	1,468,378
	<i>of which annual variable remuneration in respect of 2016</i>	<i>None</i>	<i>330,200</i>
	<i>of which annual variable remuneration in respect of 2015</i>	<i>803,649</i>	<i>509,857</i>
	<i>of which annual variable remuneration in respect of 2014</i>	<i>226,711</i>	<i>282,460</i>
	<i>of which annual variable remuneration in respect of 2013</i>	<i>281,302</i>	<i>345,861</i>
	<i>of which annual variable remuneration in respect of 2012</i>	<i>341,528</i>	<i>None</i>
	Multi-annual variable remuneration	0 <sup>(2)</sup>	1,354,585 <sup>(3)</sup>
	Extraordinary remuneration	None	None
	Directors' fees	58,406	62,344
Benefits in kind <sup>(1)</sup>	4,626	6,127	
<b>TOTAL</b>	<b>3,278,222</b>	<b>4,453,434</b>	
<b>Philippe BORDENAVE</b> Chief Operating Officer	Fixed remuneration	1,000,000	1,000,000
	Annual variable remuneration	931,859	837,128
	<i>of which annual variable remuneration in respect of 2016</i>	<i>None</i>	<i>211,400</i>
	<i>of which annual variable remuneration in respect of 2015</i>	<i>515,178</i>	<i>326,783</i>
	<i>of which annual variable remuneration in respect of 2014</i>	<i>97,594</i>	<i>121,591</i>
	<i>of which annual variable remuneration in respect of 2013</i>	<i>144,196</i>	<i>177,354</i>
	<i>of which annual variable remuneration in respect of 2012</i>	<i>174,891</i>	<i>None</i>
	Multi-annual variable remuneration	0 <sup>(2)</sup>	842,194 <sup>(3)</sup>
	Extraordinary remuneration	None	None
	Directors' fees	None	None
Benefits in kind <sup>(1)</sup>	5,308	3,953	
<b>TOTAL</b>	<b>1,937,167</b>	<b>2,683,275</b>	

(1) The Chairman of the Board of Directors, the Chief Executive Officer and the Chief Operating Officers have a company car and a mobile phone. The Chief Executive Officer and Chief Operating Officer receive Executive Committee professional life insurance, for which the Company's contribution is recognised as a benefit in kind.

(2) The performance conditions relating to the plan awarded in 2011 were not met.

(3) Application of the performance conditions attached to the LTIP awarded in 2012 led to a payment in 2017, for both Jean-Laurent BONNAFÉ and Philippe BORDENAVE, corresponding to 117% of the total awarded.

As a reminder the amount awarded is subject to the application of two cumulative performance conditions over a period of five years from the date of grant. Thus, the relative performance condition (evolution of the value of the BNP Paribas share compared to that of the Euro Stoxx Banks) led to 90% of the amount allocated being maintained. The application of the performance condition related to the evolution of the value of the BNP Paribas led to the application of a 130% enhancement coefficient, applied to 90% of the amount allocated.

**SEVENTEENTH RESOLUTION**

The seventeenth resolution, specific to the banking sector, provides for, pursuant to article L.511-73 of the French Monetary and Financial Code, an advisory vote at the Annual General Meeting on the overall remuneration package paid during the 2017 financial year to executive officers, which at BNP Paribas means the executive corporate officers and certain categories of personnel whose professional activities have a material impact on the Group's risk profile (Material Risk Taker – MRT).

Pursuant to the regulations in force, the Group implements a strict policy and supervision of remuneration to limit risk-taking and align remuneration with the long-term objectives of the Group, particularly in terms of risk controls. As regards MRTs, the Group therefore ensures in particular that:

- it identifies them according to the criteria defined in the European Commission's Delegated Regulation<sup>(1)</sup> (qualitative criteria and quantitative criteria related to remuneration levels) and to internal criteria, knowing that the Group MRT scope also includes all employees identified exclusively on the basis of their remuneration level, due to their expertise, despite the fact that their professional activities were not shown to have a material impact on the Group's risk profile;
- it defers a portion of the variable remuneration awarded to them over three to five years;
- it subjects their variable remuneration to the fulfilment of certain conditions;
- it indexes a portion of their awarded variable remuneration to the BNP Paribas share price or the Group's results;
- it caps their awarded variable remuneration to comply with the ratio between the variable component and the fixed component of the remuneration<sup>(2)</sup>.

The remuneration policy and amounts awarded to the executive corporate officers for their performance in 2017 are detailed in Chapter 2 of the 2017 Registration document and annual financial report. Moreover, the policy and the amount of remuneration awarded to employees whose professional activities have a significant influence on the risk profile of the Group for 2017 are detailed in a report disclosed on the BNP Paribas corporate website <https://invest.bnpparibas.com>.

The remuneration actually paid in 2017 under this resolution is, by nature, different from the remuneration awarded in respect of 2017 (as detailed in the report on the remuneration of MRTs published on the corporate website of BNP Paribas). It depends on the partial payment of the variable remuneration awarded between 2014 (in

respect of the year 2013) and 2017 (in respect of the year 2016), for the portions payable in 2017 in accordance with applicable provisions. It also includes the payment of fixed remuneration in 2017, taking into account any salary increases during the year. In accordance with regulatory obligations, in application of deferred payment and indexation rules of a portion of the variable remuneration awarded, the amount paid as variable remuneration awarded in previous years may have been affected by the non-achievement of performance conditions and the difference in the BNP Paribas share price between the award date and the payment date.

In 2016, the overall remuneration paid to the 1,445 employees identified as MRTs was EUR 903 million. The overall remuneration paid in 2017 to the 1,422 Group employees identified as MRTs for the 2016 financial year amounted to EUR 932 million, representing an average payment of EUR 655,000 compared with EUR 625,000 in 2016 or a 4.8% increase.

**EIGHTEENTH RESOLUTION**

The eighteenth resolution, specific to the banking industry like the previous one, relates to the setting of a cap on the variable portion of the remuneration of executive corporate officers and categories of personnel, including risk-takers and employees engaged in control functions, whose professional activities have a material impact on the risk profile of BNP Paribas SA or the BNP Paribas group, as well as all employees, given their total remuneration, who are in the same remuneration bracket.

The European Directive CRD4 of 26 June 2013<sup>(3)</sup> concerning access to the activity and prudential supervision of credit institutions, as transcribed into French law in the French Monetary and Financial Code and completed by the EBA<sup>(4)</sup> guidelines on sound remuneration policies<sup>(5)</sup>, comprises a "governance" component that strictly regulates remuneration policies in order to avoid potential excessive risk-taking.

In particular, it provides that the variable component should not exceed 100% of the fixed component of the total remuneration for each individual concerned (in French law, this has been transcribed into article L.511-78 of the French Monetary and Financial Code). Nevertheless, it allows shareholders to approve a higher maximum ratio in so far as the overall level of the variable portion does not exceed 200% of the fixed portion of total remuneration for each person concerned. In accordance with article L.511-79 of the French Monetary and Financial Code, a discount rate may be applied to a maximum of 25% of the total variable remuneration provided its payment is in the form of instruments that are deferred for at least five years.

(1) Commission Delegated Regulation (EU) No. 604/2014 of 4 March 2014 supplementing Directive 2013/36/EU of the European Parliament and of the Council with regard to regulatory technical standards with respect to qualitative and appropriate quantitative criteria to identify categories of personnel whose professional activities have a material impact on an institution's risk profile.

(2) As approved by the Annual General Meeting of Shareholders on 13 May 2015 for a period of three years, and which is proposed for renewal in the eighteenth resolution.

(3) 2013/36/EU.

(4) EBA: European Banking Authority.

(5) EBA Guidelines on sound remuneration policies EBA/GL/2015/22.

## PRESENTATION OF THE RESOLUTIONS

The Board therefore recommends that the Annual General Meeting approves, in compliance with the provisions of the aforementioned European Directive, that the variable portion of the remuneration for the employees concerned may represent up to 200% of their fixed component.

The resolution submitted to your vote concerns the employees identified on a consolidated basis at Group level as defined above including executive corporate officers, as well as certain categories of personnel whose professional activities have a material impact on the Company's risk profile and are identified globally as Material Risk Takers (MRT) for the Group according to the group of criteria of the European Commission's Delegated Regulation<sup>(1)</sup> and additional criteria defined within the Group.

For 2017, 1,422 employees are concerned by these capping rules. Some 40% of these employees received variable remuneration higher than the amount of their fixed remuneration and are therefore concerned by the increase of the ratio, in the same proportion as the previous year.

By virtue of applying the MRT identification criteria, these cap rules apply to a particularly large range of activities and positions mostly within the Corporate and Investment Banking businesses and, for the remaining part, within Retail Banking entities and Group control functions. They are not limited to employees carrying out their activities within the European Union.

With its international scope and presence in many countries, the BNP Paribas Group operates in a highly competitive environment where some banks are not subject to the same requirements governing the remuneration policy. The resolution proposed here therefore aims to reduce the potential distorting effects of competition that would work against the long-term interests of shareholders, by enabling the Bank to recruit and retain the best talents. This resolution is also in line with the general practice of European banking institutions, required in particular outside the European Union, where local competitor institutions do not apply any rules to cap remuneration.

The variable remuneration awarded, subject to these cap rules, is nevertheless strictly supervised and aligned with the long term interests of the Group and the shareholders (a portion of the variable remuneration is deferred over a period that can be between three

and five years for some employees, and the payment of each annual fraction is subject to conditions and indexed to the BNP Paribas share price performance or similar instruments as provided for in the regulation) and is compatible with sound financial management.

As required by the EBA guidelines on sound remuneration policies (§ 42), the resolution is aimed at the entire BNP Paribas Group to enable the ratio in all the Group's subsidiaries concerned to be raised, subject to the regulatory provisions that apply in the countries where they operate and, if necessary, the approval of this increase by their respective Annual General Meetings.

The resolution that we are submitting for your approval today will renew the authorisation of the same type granted by the Annual General Meeting of 13 May 2015, which has expired. It would also be renewed for a three-year period, *i.e.* until the Annual General Meeting called in 2021 to approve the 2020 financial statements. In the event that the number of employees concerned would significantly change with respect to the Group's total workforce and irrespective of any changes in regulatory obligations, or if the remuneration awarded by applying this resolution would no longer be compatible with sound financial management, the Board would submit to the Annual General Meeting a resolution adapted to the new situation before the expiry mentioned in this paragraph.

Nevertheless it should be noted that a report on the remuneration awarded to these employees is disclosed each year on the BNP Paribas website, and details the percentage of employees who actually have benefited from this raise.

The Board draws the shareholders' attention to the fact that this resolution must be approved by a qualified majority depending on the quorum present at the final vote in the Meeting.

It is therefore necessary to assemble:

- 2/3 of the votes of shareholders if the quorum is greater than or equal to 50%;
- 75% of the votes of shareholders if the quorum is less than 50%.

It should nevertheless be noted that the employees identified as MRTs are not authorised to vote for this resolution.

The Board further notes that abstention is treated by French law as a vote against the proposed resolution.

<sup>(1)</sup> Commission Delegated Regulation (EU) No. 604/2014 of 4 March 2014 supplementing Directive 2013/36/EU of the European Parliament and of the Council with regard to regulatory technical standards with respect to qualitative and appropriate quantitative criteria to identify categories of personnel whose professional activities have a material impact on an institution's risk profile.



**SECONDLY, THE BOARD PROPOSES THE ADOPTION OF TEN RESOLUTIONS BY THE EXTRAORDINARY GENERAL MEETING.**

The nineteenth to twenty-fourth resolutions are intended to provide your Company with the flexibility necessary to manage its financial structure while complying with the limits set to control any dilution.

*It is also stated in the resolutions concerning capital increases that, during any period of public offering for BNP Paribas shares, the Board of Directors shall not be authorised to decide on any capital increase by virtue of the delegations submitted to your approval under these resolutions.*

These resolutions break down between capital increases with preferential subscription rights for existing shareholders and capital increases without preferential subscription rights for existing shareholders, with two limits:

- **the aggregate amount of capital increases without preferential subscription rights for existing shareholders** may not exceed EUR 240 million, *i.e. less than 10% of the existing share capital to date* (twenty-second resolution);
- **the aggregate amount of capital increases with or without preferential subscription rights for existing shareholders** may not exceed EUR 1 billion, *i.e. approximately 40% of the existing share capital to date* (twenty-fourth resolution).

**NINETEENTH RESOLUTION**

The Annual General Meeting is requested, through the nineteenth resolution, to authorise the Board of Directors for 26 months to issue ordinary shares in the Company and any securities granting access immediately or in the future to capital to be issued with preferential subscription rights for existing shareholders. This is the renewal of the authorisation of the same type granted by the Annual General Meeting held in 2016 and which is soon expiring.

The nominal amount of the capital increases that may be carried out under this resolution may not exceed EUR 1 billion. This amount would result in the creation of a number of new shares equivalent to approximately **40% of the share capital existing to date**. This authorisation voids and supersedes any other delegation with the same purpose that might have been granted previously.

**TWENTIETH RESOLUTION**

The twentieth resolution requests that the Annual General Meeting authorise the Board of Directors for twenty-six months to issue ordinary shares in the Company and any securities giving access immediately or in the future to capital to be issued, without preferential subscription rights for existing shareholders. A subscription priority period for existing shareholders may be given for all or part of the issue.

This enables the Bank to finance itself by giving the Board of Directors the flexibility and responsiveness needed to take swift advantage of market conditions.

It is further noted that the nominal amount of the capital increases that might be carried out under this resolution may not exceed EUR 240 million. This amount would result in the creation of a number of new shares equivalent to approximately **9.6% of the share capital existing to date**. Moreover, in accordance with legal and regulatory provisions, the issue price shall be at least equal to the weighted average of the last three trading sessions preceding the date when the subscription price was established minus 5%, **thus ensuring a reference to market conditions**.

This authorisation supersedes any other authorisation with the same purpose that might have been previously granted.

**TWENTY-FIRST RESOLUTION**

In this resolution, shareholders are asked to authorise the Board of Directors for twenty-six months to issue ordinary shares and securities giving access to new shares, without preferential subscription rights for existing shareholders, as remuneration for securities tendered to BNP Paribas. The maximum nominal amount of the capital increases that may be carried out under this authorisation is set at 10% of the share capital on the date of the Board's decision.

The adoption of this resolution would give BNP Paribas the means to be more responsive, thereby increasing its capacity to negotiate, all favourable factors to the interests of shareholders. It would give the Bank the flexibility that it needs to carry out external growth transactions without an impact on its cash position. As provided by law, the Board of Directors would approve the valuation of contributions after having read the report of the capital contributions auditors. This report would be released to shareholders for the following Annual General Meeting.

This delegation supersedes, up to the limit of unused portions, all previous authorisations of the same nature.

**TWENTY-SECOND RESOLUTION**

In order to limit the dilution resulting from the possible use of one or more authorisations to increase capital without preferential subscription rights for existing shareholders, it is also requested in the twenty-second resolution that the Annual General Meeting not allow the maximum nominal overall amount of the capital increases arising immediately or in the future from the use of the authorisations without preferential subscription rights for existing shareholders granted by the twentieth and twenty-first resolutions, to exceed EUR 240 million (**9.6% of capital to date**) under any circumstances.

## PRESENTATION OF THE RESOLUTIONS

### TWENTY-THIRD RESOLUTION

The twenty-third resolution provides that the Board of Directors be authorised to increase the share capital by incorporation of reserves, earnings, share premiums or paid-in capital within the limit of a maximum nominal amount of EUR 1 billion. This transaction would take place through the creation and allocation of free shares and/or an increase in the nominal value of existing shares.

### TWENTY-FOURTH RESOLUTION

Finally, shareholders are asked to approve in the twenty-fourth resolution, that the maximum aggregate nominal amount of the capital increases that may result immediately or in the future from the use of the authorisations, with or without preferential subscription rights for existing shareholders, granted by the nineteenth to twenty-first resolutions, may not exceed EUR 1 billion (*i.e.*, approximately **40% of capital to date**) under any circumstances.

### TWENTY-FIFTH RESOLUTION

This resolution is mandated by the presentation to the Annual General Meeting of the financial authorisations. It proposes that the Annual General Meeting authorise the Board of Directors for twenty-six months to carry out transactions reserved for members of the BNP Paribas Group Company Savings Plan for a maximum nominal amount of EUR 46 million. This authorisation would cancel preferential subscription rights for existing shareholders. This amount of EUR 46 million represents 23 million ordinary shares, or 1.84% of current capital existing to date, and therefore less than 1% per year on average. This authorisation would supersede any other similar current one in force.

To date, given the level of capital available to the Bank, the Executive Management informed the Board that it does not wish to carry out such a transaction.

### TWENTY-SIXTH RESOLUTION

It requests that, for a period of eighteen months, the Annual General Meeting authorise the Board to cancel, through a reduction of share capital, all or part of its shares held by the Company or acquired through the authorisation given by the Ordinary General Meeting, within the limit of 10% of existing capital at the date of the transaction, for a twenty-four month period. This authorisation supersedes and replaces that granted by the seventeenth resolution of the Annual General Meeting of 23 May 2017.

### TWENTY-SEVENTH RESOLUTION

Given the major transformation issues within the banking sector, the Board of Directors has examined the best way of ensuring that the Group's governance is efficient, balanced, stable and visible.

In the interest of the Company and its shareholders, the Board of Directors is proposing to raise the age limit of corporate officers by four years for the Chairman and by two years for the Chief Executive Officer, and also to enable the Board of Directors, as for the other executive corporate officers, to extend the age limit of the Chief Operating Officer by one year. The age limits will therefore be set at 72 years for the Chairman and at 65 years for the Chief Executive Officer and the Chief Operating Officer, while giving the Board of Directors the possibility of extending their functions by another year.

This measure will provide more flexibility to prepare for future transitions.

### TWENTY-EIGHTH RESOLUTION

It is a standard resolution for the issuance of the powers necessary for completing the publications and legal formalities of this meeting.

## SHAREHOLDER VOTE ON THE INDIVIDUAL REMUNERATION OF EXECUTIVE CORPORATE OFFICERS PURSUANT TO ARTICLE L. 225-100 OF THE FRENCH COMMERCIAL CODE

The elements of remuneration paid or awarded in respect of 2017 to each executive corporate officer, subject to a vote of the shareholders are as follows:

### Elements of remuneration paid or awarded for the financial year to Mr Jean LEMIERRE subject to the shareholders' vote (amounts in euros)

Jean LEMIERRE - Chairman of the Board of Directors		
	2017	Comments
Fixed remuneration for the year	950,000	The remuneration paid to Jean LEMIERRE is determined by the method recommended by the Remuneration Committee and approved by the Board of Directors. His fixed remuneration has not changed since December 2014.
Annual variable remuneration awarded in respect of the year	None	Jean LEMIERRE is not entitled to multi-annual variable remuneration. The absence of variable remuneration reflects the independence of the Chairman with respect to the Executive Management.
Multi-annual variable remuneration	None	Mr Jean LEMIERRE is not entitled to multi-annual variable remuneration. The absence of variable remuneration reflects the independence of the Chairman with respect to the Executive Management.
Directors' fees	62,344	Mr Jean LEMIERRE does not receive any Directors' fees from any Group companies other than BNP Paribas SA.
Extraordinary remuneration	None	Mr Jean LEMIERRE received no extraordinary remuneration during the year.
Stock options awarded during the year	None	No options were granted to Mr Jean LEMIERRE during the year.
Performance shares awarded during the year	None	No performance shares were granted to Mr Jean LEMIERRE during the year.
Sign-on bonuses and severance payments	None	Mr Jean LEMIERRE received no sign-on bonuses or severance payments.
Top-up pension plan defined-benefit pension plan	None	Mr Jean LEMIERRE is not entitled to any supplemental defined-benefit pension plans.
Top-up pension plan defined-contribution pension plan	431	Mr Jean LEMIERRE benefits from the defined-contribution plan set up for all BNP Paribas SA employees, in accordance with pension plans article 83 of the French General Tax Code. The amount of contributions paid by the Company under the plan to Mr Jean Lemierre in 2017 was EUR 431.
Collective welfare benefit and healthcare plan	3,180	Mr Jean LEMIERRE benefits from the disability, invalidity and death, and healthcare insurance plans offered to employees and corporate officers of BNP Paribas SA. He also benefits from death and disability insurance covering all employees of BNP Paribas SA. This amount is the total received.
Benefits in kind	3,632	Mr Jean LEMIERRE has a company car and a mobile phone.
<b>TOTAL</b>	<b>1,019,587</b>	

**Elements of remuneration paid or awarded for the financial year to Mr Jean-Laurent BONNAFÉ subject to the shareholders' vote**  
(amounts in euros)

<b>Jean-Laurent BONNAFÉ - Chief Executive Officer</b>		
	<b>2017</b>	<b>Comments</b>
<b>Fixed remuneration for the year</b>	1,562,000	The remuneration paid to Jean-Laurent BONNAFÉ is determined by the method recommended by the Remuneration Committee and approved by the Board of Directors. This fixed remuneration was increased in accordance with the decision of the Board of Directors on 25 February 2016.
<b>Annual variable remuneration awarded in respect of the year<sup>(1)</sup></b>	1,576,758	<p>The variable remuneration of Mr Jean-Laurent BONNAFÉ changes on the basis of criteria representative of Group results and his managerial performance. It is expressed as a percentage of a target variable remuneration corresponding to 100% of fixed remuneration for the year. The quantitative criteria apply to the Group's overall performance. They are as follows:</p> <ul style="list-style-type: none"> <li>■ ratio of net earnings per share for the year to net earnings per share for the previous year (37.5% of target variable remuneration);</li> <li>■ percentage achievement of the Group's budgeted gross operating income (37.5% of the target variable remuneration).</li> </ul> <p>After taking into account both quantitative and qualitative criteria, and the evolution of the Group's results, the Board of Directors set the annual variable remuneration of Jean-Laurent Bonnafé for 2017 at EUR 1,576,758 i.e. 101% of the target;</p> <ul style="list-style-type: none"> <li>■ half of the non-deferred portion of the variable remuneration will be paid in May 2018, less Directors' fees received within the Group in 2017 for Group entities other than BNP Paribas SA, and half in March 2019, indexed to the performance of the BNP Paribas share;</li> <li>■ the deferred portion of the variable remuneration will be paid in fifths as of 2019. Each payment will be made half in March every year, and half in March of the following year, indexed to the performance of the BNP Paribas share. The annual payment of the deferred variable remuneration is subject to the condition that the ROE before tax of the Group for the year preceding the payment is greater than 5%.</li> </ul>
<b>Conditional long-term remuneration programme (fully deferred for a period of five years)</b>	479,065	<p>The fair value of the LTIP awarded to Mr Jean-Laurent BONNAFÉ on 5 February 2018 with respect to 2017 amounted to EUR 479,065.</p> <p>The term of the LTIP is five years. The two conditions of the LTIP, one rewarding an increase in the intrinsic value of the share, and the second - the potential outperformance relative to peers, are assigned equal weighting in order to measure their effects separately.</p> <p>Thus, payments under the LTIP may not exceed 137.5% of their award value.</p>
<b>Directors' fees</b>	62,344	Mr Jean-Laurent BONNAFÉ does not receive any Directors' fees from any Group companies other than BNP Paribas SA.
<b>Extraordinary remuneration</b>	None	Mr Jean-Laurent BONNAFÉ received no extraordinary remuneration during the year.
<b>Stock options awarded during the period</b>	None	No stock options were awarded to Mr Jean-Laurent BONNAFÉ for the year.

(1) Payment subject to the approval of the General Meeting of 24 May 2018 pursuant to article L. 225-100 of the French Commercial Code.

	2017	Comments
Performance shares awarded during the year	None	No performance shares were awarded to Mr Jean-Laurent BONNAFÉ for the year.
Sign-on bonuses or severance payments	None	
Non-compete indemnity	None	Under the non-compete clause signed on 25 February 2016, and subject to the conditions detailed below, Jean-Laurent BONNAFÉ would receive remuneration equal to 1.2 times the sum of his fixed and variable remuneration (excluding multi-annual variable remuneration) received during the year prior to his leaving the Group. One-twelfth of the indemnity would be paid each month. Under this agreement, if he ceases to hold any role or position in BNP Paribas, Jean-Laurent Bonnafé undertakes, for a period of 12 months, not to take any role whatsoever, either directly or indirectly, for a credit institution, investment or insurance firm whose securities are traded on a regulated market in France or abroad, or in France for a credit institution, investment or insurance firm whose securities are not traded on a regulated market.
Top-up pension plan defined-benefit	None	Mr Jean-Laurent BONNAFÉ does not benefit from any supplemental defined-benefit pension plans.
Top-up pension plan defined-contribution	431	Mr Jean-Laurent BONNAFÉ benefits from the defined-contribution plan set up for all BNP Paribas SA employees, in accordance with article 83 of the French General Tax Code. The amount of contributions paid by the Company under the plan to Mr Jean-Laurent BONNAFÉ in 2017 was EUR 431.
Collective welfare benefit and healthcare plan	3,180	Mr Jean-Laurent BONNAFÉ benefits from the disability, invalidity and death and healthcare insurance plans offered to employees and corporate officers of BNP Paribas SA. He also benefits from death and disability insurance covering all employees of BNP Paribas SA.
Benefits in kind	6,127	Mr Jean-Laurent BONNAFÉ has a company car and a mobile phone. This amount also includes the employer contribution under the Executive Committee professional life insurance contract.
<b>TOTAL</b>	<b>3,689,905</b>	

**Elements of remuneration paid or awarded for the financial year to Mr Philippe BORDENAVE subject to the shareholders' vote**  
(amounts in euros)

<b>Philippe BORDENAVE - Chief Operating Officer</b>		
	<b>2017</b>	<b>Comments</b>
<b>Fixed remuneration due for the period</b>	1,000,000	The remuneration paid to Mr Philippe BORDENAVE is determined by the method recommended by the Remuneration Committee and approved by the Board of Directors. The fixed annual remuneration of Mr Philippe Bordenave was increased to EUR 1,000,000 effective as at 1 January 2016.
<b>Annual variable remuneration awarded in respect of the year<sup>(1)</sup></b>	1,009,448	The variable remuneration of Mr Philippe BORDENAVE changes on the basis of criteria representative of Group results and his managerial performance. It is expressed as a percentage of a target variable remuneration corresponding to 100% of fixed remuneration for the year. The quantitative criteria apply to the Group's overall performance. They are as follows: <ul style="list-style-type: none"> <li>■ ratio of net earnings per share for the year to net earnings per share for the previous year (37.5% of target variable remuneration);</li> <li>■ percentage achievement of the Group's budgeted gross operating income (37.5% of the target variable remuneration).</li> </ul> After taking into account the quantitative and qualitative criteria, and the evolution of the Group's results, the Board of Directors set the annual variable remuneration of Philippe Bordenave for 2017 at EUR 1,009,448 i.e. 101% of the target; <ul style="list-style-type: none"> <li>■ half of the non-deferred portion of the variable remuneration will be paid in May 2018, less Directors' fees received within the Group in 2017 for Group entities other than BNP Paribas SA, and half in March 2019, indexed to the performance of the BNP Paribas share;</li> <li>■ the deferred portion of the variable remuneration will be paid in fifths as of 2019. Each payment will be made half in March every year, and half in March of the following year, indexed to the performance of the BNP Paribas share. The annual payment of the deferred variable remuneration is subject to the condition that the ROE before tax of the Group for the year preceding the payment is greater than 5%.</li> </ul>
<b>Conditional long-term remuneration programme (fully deferred for a period of five years)</b>	306,700	The fair value of the LTIP awarded to Mr Philippe BORDENAVE on 5 February 2018 in respect of year 2017 is EUR 306,700. The term of the LTIP is five years. The two conditions of the LTIP, one rewarding an increase in the intrinsic value of the share, and the second - the potential outperformance relative to peers, are assigned equal weighting in order to measure their effects separately. Thus, payments under the LTIP may not exceed 137.5% of their award value.
<b>Directors' fees</b>	None	Mr Philippe BORDENAVE does not receive Directors' fees from any Group companies.
<b>Extraordinary remuneration</b>	None	Mr Philippe BORDENAVE received no extraordinary remuneration during the year.
<b>Stock options awarded during the period</b>	None	No options were granted to Mr Philippe BORDENAVE during the year.
<b>Performance shares awarded during the year</b>	None	No performance shares were granted to Mr Philippe BORDENAVE during the year.
<b>Sign-on bonuses or severance payments</b>	None	Mr Philippe BORDENAVE receives no sign-on bonuses or severance payments.
<b>Top-up pension plan defined-benefit</b>	None	Mr Philippe BORDENAVE benefits from no supplemental defined-benefit pension plans.
<b>Top-up pension plan defined-contribution</b>	431	The corporate officers benefit from the defined-contribution plan set up for all BNP Paribas SA employees, in accordance with article 83 of the French General Tax Code. The amount of contributions paid by the Company under the plan in 2017 to Mr Philippe BORDENAVE was EUR 431.
<b>Collective welfare benefit and healthcare plan</b>	3,180	Mr Philippe BORDENAVE benefits from the disability, invalidity and death and healthcare insurance plans offered to employees and corporate officers of BNP Paribas SA. He also benefits from death and disability insurance covering all employees of BNP Paribas SA.
<b>Benefits in kind</b>	3,953	Mr Philippe BORDENAVE has a company car and a mobile phone. This amount also includes the employer contribution under the Executive Committee professional life insurance contract.
<b>TOTAL</b>	<b>2,323,712</b>	

(1) Payment subject to the approval of the General Meeting of 24 May 2018 pursuant to article L. 225-100 of the French Commercial Code.

# INFORMATION ABOUT THE CANDIDATES

FOR THE BOARD OF DIRECTORS



## Pierre André de Chalendar

### PRINCIPAL FUNCTION:

#### **CHAIRMAN AND CHIEF EXECUTIVE OFFICER OF COMPAGNIE DE SAINT-GOBAIN**

Date of birth: 12 April 1958

Term start and end dates: 13 May 2015 - 2018 AGM

Date first elected to the Board: 23 May 2012

Nationality: French

Number of shares held at 31 December 2017: 3,000

### DIRECTOR (POSITIONS HELD UNDER THE PRINCIPAL FUNCTION):

GIE SGPM Recherches  
Saint-Gobain Corporation

### MEMBERSHIP OF SPECIALISED COMMITTEES:

BNP Paribas: Chairman of the Remuneration Committee and member of the Corporate Governance, Ethics, Nominations and CSR Committee

*Compagnie de Saint-Gobain*: member of the Strategic Committee (position held under the principal function)

### EDUCATION AND CAREER

A graduate of the ESSEC business school and former student of the *École Nationale d'Administration* (ENA) and former Finance Inspector, Pierre André de Chalendar has been Deputy Chief Executive Officer responsible for Energy and Commodities at the Ministry of Industry.

He joined *Compagnie de Saint-Gobain* in 1989 as Director of Planning. Vice-Chairman of Abrasives Europe between 1992 and 1996, Chairman of the Abrasives Division from 1996 to 2000, Chief Executive Officer for the United Kingdom and the Republic of Ireland from 2000 to 2002, Mr Pierre André de Chalendar was appointed in 2003 Deputy Chief Executive Officer of Saint-Gobain in charge of the Building Distribution Division. Appointed Chief Operating Officer of *Compagnie de Saint-Gobain* in May 2005, then appointed as Director in June 2006, he was appointed Chief Executive Officer of *Compagnie de Saint-Gobain* in June 2007 and is Chairman and Chief Executive Officer since June 2010.

### REASONS FOR THE PROPOSED APPOINTMENT AS DIRECTOR

The Board of Directors believes that the personality, industrial expertise and managerial and international experience of Mr Pierre André de Chalendar qualify him to continue to exercise with the required independence his functions of Director within the BNP Paribas Board of Directors.

Mr. de Chalendar meets the independence criteria contained in the Corporate Governance Code and reviewed by the Board of Directors.

None of the companies or legal structures in which Mr. de Chalendar serves as director or performs an executive function has any significant business relationship with BNP PARIBAS.

In particular, the Board noted that BNP Paribas revenues generated by Saint Gobain represented less than 0.5% of the total published BNP Paribas revenues in 2017.

## INFORMATION ABOUT THE CANDIDATES FOR THE BOARD OF DIRECTORS



### Denis Kessler

#### PRINCIPAL FUNCTION:

#### **CHAIRMAN AND CHIEF EXECUTIVE OFFICER OF SCOR SE**

Date of birth: 25 March 1952

Term start and end dates: 13 May 2015 - 2018 AGM

Date first elected to the Board on: 23 May 2000

Nationality: French

Number of shares held at 31 December 2017: 2,684

#### DIRECTOR:

Invesco Ltd<sup>(1)</sup> (United States)

#### MEMBERSHIP OF SPECIALISED COMMITTEES:

BNP Paribas: Chairman of the Financial Statements Committee. Chairs the joint meetings of the Financial Statements Committee and the Internal Control, Risk Management and Compliance Committee

Invesco Ltd: Member of the Audit Committee, Remuneration Committee, and Corporate Governance and Nominations Committee

SCOR SE: Chairman of the Strategy Committee (position held under the principal function)

#### MEMBER OF:

*Institut des Sciences morales et politiques*

Geneva Association (member of the Board of Directors)

Conference Board (Global counsellor)

Global Reinsurance Forum – Reinsurance Advisory Board

#### EDUCATION AND CAREER

Having completed post graduate studies in economics and social sciences and a doctorate in economics, a graduate of the *Hautes Études Commerciales* school, Denis Kessler has been Chairman of the *Fédération Française des Sociétés d'Assurances* – FFSA (1990-1997 and 1998-2002), Vice-Chairman of the European Committee of Insurance – CEA (1996-1998 and 1998-2002), Chief Executive Officer and member of the Executive Committee of AXA Group (1997-1998), and Deputy Vice-Chairman of *Mouvement des Entreprises de France* – Medef (1999-2002). He joined the SCOR SE group on 4 November 2002 as Chief Executive Officer.

#### REASONS FOR THE PROPOSED APPOINTMENT AS DIRECTOR

The Board of Directors believes that Denis Kessler's expertise in the areas of insurance and reinsurance will contribute to the diversity of the corporate body. He has also been Deputy Vice-Chairman of MEDEF for four years. Moreover, during his successive terms as Director at BNP Paribas, he was able to demonstrate critical thinking.

The Board also recognises Denis Kessler's financial and risk management expertise, strengthened by his position as the Chairman and Chief Executive Officer of one of the world's major reinsurance companies. The independence and the dedication that he has shown throughout his terms of office and in his duties with the Financial Statements Committee qualify him to continue to hold the position of Director of the BNP Paribas Board of Directors.

None of the companies or legal structures in which Mr. Kessler serves as Director or performs an executive function has any significant business relationships with BNP Paribas. In particular, the Board noted that BNP Paribas revenues generated by Scor SE represented less than 0.5% of the total published BNP Paribas revenues in 2017.

(1) Listed company.





## Laurence Parisot

### PRINCIPAL FUNCTION:

#### **CHIEF DEVELOPMENT OFFICER OF GRADIVA**

Date of birth: 31 August 1959

Term start and end dates: 13 May 2015 - 2018 AGM

Date first elected to the Board: 23 May 2006

Nationality: French

Number of shares held at 31 December 2017: 1,255

### CHAIRWOMAN:

Scientific and Assessment Board  
of Fondapol

### HONORARY CHAIRWOMAN:

*Mouvement des Entreprises de France*  
(Medef)

### MEMBER OF THE SUPERVISORY BOARD:

Fives Group

### DIRECTOR:

EDF<sup>(1)</sup>

Foxintelligence (SAS)

*Fondation Nationale des Sciences  
Politiques*

*Fondation Brigitte Bardot*

Franco-German University

### MEMBERSHIP OF SPECIALISED COMMITTEES:

BNP Paribas: Chairwoman of the Corporate  
Governance, Ethics, Nominations and CSR  
Committee, and member of the Internal  
Control, Risk Management and Compliance  
Committee

EDF: member of the Audit Committee  
and the Strategy Committee

*Fondation Nationale des Sciences  
Politiques*: member of the Audit  
Committee

### MEMBER OF:

European Council for Foreign Relations

### EDUCATION AND CAREER

A graduate of the *Institut d'Études Politiques de Paris (IEP)*, holder of a master's degree in Public Law from the University of Nancy II and a DEA (equivalent to an M-Phil) in Politics from IEP, Laurence Parisot began her career in 1985 as a research officer at the Institut Louis Harris France and became its Chief Executive Officer in 1986. In 1990, she joined IFOP where she gradually became the majority shareholder. She was Vice-Chairwoman of this company until 2016.

### REASONS FOR THE PROPOSED APPOINTMENT AS DIRECTOR

The Board of Directors believes that Ms. Parisot's expertise in corporate governance (Chairwoman for eight years and then Honorary Chairwoman for three years of the French employers union MEDEF) and her active participation as a member of the Board of Directors and as a member (since 2007) and then Chairwoman (since 2015) of the BNP Paribas Corporate Governance, Ethics, Nominations and CSR Committee are strong assets for the Bank.

With respect to her current term as Director, Ms. Parisot meets the independence criteria contained in the Corporate Governance Code and reviewed by the Board of Directors. Laurence Parisot would no longer be considered independent strictly speaking, if she were to be re-elected during the Annual General Meeting of 24 May 2018.

The Board of Directors believes that the personality, independent thinking, international experience and the dedication with which Laurence Parisot fulfils her duties and contributes to the work of the Corporate Governance, Ethics, Nominations and CSR Committee qualify her to continue her position as Director within the BNP Paribas Board of Directors.

(1) Listed company.

# BNP PARIBAS GROUP IN 2017

## THE YEAR IN REVIEW

### GOOD PERFORMANCE OF THE GROUP IN 2017 AND PROMISING START OF THE 2020 BUSINESS DEVELOPMENT PLAN

In 2017, BNP Paribas got off to a good start of its 2020 plan. In a lacklustre interest rate and market environment, the business activity of the Group developed vigorously sustained by a gradually stronger European growth.

Revenues totalled 43,161 million euros, down by 0.6% compared to 2016, which included an exceptional impact of +597 million euros in capital gains from the sale of Visa Europe shares while it only included this year +233 million euros in capital gains from the sale of Shinan and Euronext shares. Separately, the Own Credit Adjustment (OCA) and own credit risk included in derivatives (DVA) totalled -175 million euros (compared to -59 million euros in 2016). Excluding these exceptional items, revenues were up by 0.5%.

Revenues were up by 1.5% in the operating divisions despite an unfavourable foreign exchange effect (+2.6% at constant scope and exchange rates): they were stable in Domestic Markets<sup>(1)</sup> (-0.6% at constant scope and exchange rates) due to the low interest rate environment, despite good business development; they were up by 2.7% at International Financial Services (+4.8% at constant scope and exchange rates), driven by the development of the businesses; they rose by 2.1% at CIB (+3.8% at constant scope and exchange rates) thanks to good business growth and despite the lacklustre market environment in the second half of the year.

The Group's operating expenses, which amounted to 29,944 million euros, were up by 1.9% compared to 2016. They included the exceptional impact of 101 million euros in the acquisitions' restructuring costs<sup>(2)</sup> (158 million euros in 2016) and 856 million euros in transformation costs (539 million euros in 2016). They included in 2016 a 52 million euro compulsory contribution to the resolution process of four Italian banks.

The operating expenses of the operating divisions rose by only 0.5% compared to 2016 thanks to the effects of the cost saving measures: they were down by 0.4% for CIB<sup>(3)</sup> where the transformation plan was launched as early as 2016, declined by 0.1%<sup>(4)</sup> for Domestic Markets<sup>(1)</sup> thanks in particular to the decrease in the Retail Banking networks and rose by 1.9%<sup>(5)</sup> for International Financial Services as a result of increased business. The jaws effect was positive in all the operating divisions.

The Group's gross operating income was thus down by 5.8%, at 13,217 million euros. It was up by 3.8% for the operating divisions (+4.9% at constant scope and exchange rates).

The cost of risk was down again (-10.9%) at 2,907 million euros (3,262 million euros in 2016) or 39 basis points of outstanding customer loans. This low level is due in particular to the good control of risk at loan origination, the low interest rate environment and the continued improvement in Italy thanks to the repositioning on better corporate clients.

The Group's operating income, which totalled 10,310 million euros (10,771 million euros in 2016), was thus down by 4.3% but up by 9.0% for the operating divisions.

Non-operating items totalled 1,000 million euros (439 million euros in 2016). They included this year, in addition to a higher income contribution from the associated companies, the exceptional impact of the +326 million euro capital gain resulting from the initial public offering of SBI Life<sup>(6)</sup> as well as the full impairment of TEB's goodwill for -172 million euros. They included in 2016 -127 million euros for BGZ's full goodwill impairment.

Pre-tax income, which came to 11,310 million (11,210 million euros in 2016), was thus up by 0.9%. It was up by 13.4% for the operating divisions: +4.7% at Domestic Markets<sup>(7)</sup>, +18.2% at International Financial Services and at +14.6% at CIB.

Net income attributable to equity holders was 7,759 million euros, up by 0.7% compared to 2016. Excluding exceptional items<sup>(8)</sup>, it came to 8,149 million euros (+4.4%). The return on equity was 8.9% (9.4% excluding exceptional items). The return on tangible equity came to 10.5% (11.0% excluding exceptional items). The net earnings per share was at € 6.05.

As at 31 December 2017, the fully loaded Basel 3 common equity Tier 1 ratio<sup>(9)</sup> was 11.8% (11.5% as at 31 December 2017). The fully loaded Basel 3 leverage ratio<sup>(10)</sup> came to 4.6%. The Liquidity Coverage Ratio was 121% as at 31 December 2017. Lastly, the Group's immediately available liquidity reserve was 285 billion euros, equivalent to over one year of room to manoeuvre in terms of wholesale funding.

The net book value per share reached 75.1 euros, equivalent to a compounded annual growth rate of 5.7% since 31 December 2008, illustrating the continuous value creation throughout the cycle.

(1) Including 100% of Private Banking in the domestic networks (excluding PEL/CEL effects).

(2) In particular, LaSer, Bank BGZ, DAB Bank and GE LLD.

(3) +1.8% at constant scope and exchange rates.

(4) -0.8% at constant scope and exchange rates.

(5) +3.7% at constant scope and exchange rates.

(6) Sale of a 4% stake in SBI Life at a price of 700 rupees per share.

(7) Including 2/3 of Private Banking in the domestic networks (excluding PEL/CEL effects).

(8) Effect of exceptional items after tax: -390 million euros (-100 million euros in 2016).

(9) Ratio taking into account all the CRD 4 rules with no transitory provisions.

(10) Ratio taking into account all the CRD 4 rules at 2019 with no transitory provisions, calculated according to the delegated act of the European Commission dated 10 October 2014.

The Board of Directors will propose at the Shareholders' Meeting the payment of a dividend of € 3.02 per share (+11.9% compared to 2016) to be paid in cash, equivalent to a 50% pay-out ratio which is in line with the plan.

The Group is actively implementing the 2020 transformation plan, an ambitious programme of new customer experiences, digital transformation and operating efficiency.

The good overall performance of the operating divisions this year illustrates the promising start to the plan. The Group thus confirms its 2020 targets and aims at a return on equity above 10% at that time.

The Group continues to strengthen its internal control and compliance systems. It also pursues an ambitious corporate social and environmental responsibility policy designed to have a positive impact on society: it thus created this year a Company Engagement Department in order to reinforce its actions in this field.

## RETAIL BANKING & SERVICES

### DOMESTIC MARKETS

For the whole of 2017, Domestic Markets reported a good business drive. Outstanding loans rose by 5.9% compared to 2016 due to a good rise in loans in the Retail Banking network and the specialised businesses (Arval, Leasing Solutions). Deposits were up by 8.6% with strong growth across all countries. Private Banking reported a rise in its assets under management of 4.2% compared to its level as at 31 December 2016. *Hello bank!* continued its growth with 2.9 million clients at the end of 2017 and now accounts for 11.0% of revenues from individual clients<sup>(1)</sup>.

The operating division is actively implementing the 2020 plan: it is adapting its offering to different banking uses with the acquisition this year of *Compte-Nickel*<sup>(2)</sup> in France which already has 800,000 accounts opened and completes the set up alongside *Hello bank!*, the integrated digital offering of Retail Banking and the branch network; it is reinventing customer journeys with, for example, the launch in France of *Welcome* (corporate onboarding) or *Finsy* (factoring); it is developing data use for the benefit of customers and of commercial performance; it is speeding up customer use of mobile banking services with the launch of new apps and expanding existing features, recording 51 million app visits in December 2017 (+38% compared to December 2016); it is launching innovative products to anticipate new needs such as *LyfPay*, a universal mobile payment solution or *Kintessia*, a Leasing Solutions' B-to-B marketplace; it is transforming the operating model to enhance efficiency by in particular simplifying and right-sizing the branch networks.

At 15,718 million euros, revenues<sup>(3)</sup> were stable compared to 2016, the effect of the higher business being offset by the impact of low interest rates. The operating division reported higher fees in all its networks.

Operating expenses<sup>(3)</sup> (10,620 million euros) were down slightly by 0.1% compared to 2016, the average 1.4% decrease for FRB, BNL bc and BRB being offset by the impact of the development of the specialised businesses.

Gross operating income<sup>(3)</sup> thus rose by 0.2%, at 5,098 million euros, compared to last year.

The cost of risk was down by 10.5% compared to 2016, in particular due to the continued decrease at BNL bc.

Thus, after allocating one-third of Domestic Markets Private Banking's net income to the Wealth Management business (International Financial Services division), the division reported pre-tax income<sup>(4)</sup> that was up 4.7% compared to 2016, at 3,541 million euros.

### FRENCH RETAIL BANKING (FRB)

In 2017, FRB's reported a strong rebound in its business activity in the context of economic recovery in France. Outstanding loans rose by 8.0% compared to the low level in 2016 with sustained growth in loans to individual and corporate customers. Deposits rose by 12.0% compared to 2016, driven by strong growth in current account deposits. Life insurance reported good growth (rise of 4.2% in outstandings compared to 31 December 2016). The assets under management of Private Banking were up sharply (+7.6% compared to 31 December 2016) thanks to asset inflows drive.

(1) FRB, BNL bc, BRB and Personal Investors, excluding Private Banking.

(2) Transaction finalised on 12 July 2017.

(3) Including 100% of Private Banking in France (excluding PEL/CEL effects), Italy, Belgium and Luxembourg.

(4) Excluding PEL/CEL effects (+19 million euros in 2016 vs -2 million euros in 2016).

The business pursued its digital transformation and the development of new customer journeys, launching this year the new apps *Mes Comptes* and *Hello bank!* with new services and *Welcome* for corporate onboarding. It actively developed new mobile uses with 23 million contacts *via* mobile apps in December 2017 (+34% compared to December 2016).

FRB is also preparing the delayering of the network organisation with the gradual move from four to three management levels in the branch network in 2018 in order to decrease costs and optimise decision-making processes and customer satisfaction.

Revenues<sup>(1)</sup> totalled 6,352 million euros, down by 0.8% compared to 2016. Net interest income<sup>(1)</sup> was down by 2.9%, the effect of persistently low interest rates being only partly offset by increased business. Fees<sup>(1)</sup> rose for their part by 2.1% with an increase in financial fees.

Operating expenses<sup>(1)</sup>, at 4,657 million euros, were down by 0.3% compared to 2016, reflecting good cost containment.

Gross operating income<sup>(1)</sup> thus came to 1,695 million euros, down by 1.9% compared to last year.

The cost of risk<sup>(1)</sup> was still low, at 331 million euros (342 million euros in 2016). It was 21 basis points of outstanding customer loans.

Thus, after allocating one-third of French Private Banking's net income to the Wealth Management business (International Financial Services division), FRB posted 1,213 million euros in pre-tax income<sup>(2)</sup>, down by 3.1% compared to 2016.

### BNL BANCA COMMERCIALE (BNL BC)

For the whole of 2017, BNL bc's business activity has been growing. Outstanding loans were up by 0.6% compared to 2016. Excluding the impact of the sale of a portfolio of non-performing loans in the first quarter 2017<sup>(3)</sup>, they were up by 1.8%, driven by individual clients. Deposits rose by 9.5% with a sharp rise in current accounts. BNL bc delivered a good performance in off balance sheet savings: thanks in particular to good asset inflows, life insurance outstandings were up by 6.8% and mutual fund outstandings by 13.6% compared to 31 December 2016.

BNL bc also continued to develop new customer journeys and digital transformation, launching this year *MyAccounts@OneBank*, a new application for account opening of corporate clients' subsidiaries. The business is developing *chatbots*, automated services that respond to clients' frequent requests. BNL bc is also developing new mobile uses with already over 313,000 active users of its mobile apps.

Revenues<sup>(4)</sup> were down by 2.2% compared to 2016, to 2,907 million euros. Net interest income<sup>(4)</sup> was down by 5.9% due to the persistently low interest rate environment. Fees<sup>(4)</sup> were up by 4.7% as a result of sustained growth in off balance sheet savings and Private Banking.

Operating expenses<sup>(4)</sup>, at 1,801 million euros, were down by 4.5%. Excluding the impact of non-recurring items in 2016<sup>(1)</sup>, they were up by 0.7%, reflecting good cost control.

Gross operating income<sup>(4)</sup> thus totalled 1,106 million euros, up by 1.8% compared to last year.

The cost of risk<sup>(5)</sup>, at 111 basis points of outstanding customer loans, continued its downward move (-88 million euros compared to 2016) as a result of the improvement of the quality of the loan portfolio.

Thus, after allocating one-third of Italian Private Banking's net income to the Wealth Management business (International Financial Services division), BNL bc confirmed the gradual recovery of its profitability and generated 192 million euros in pre-tax income, or a two-fold increase over the 2016 level (90 million euros).

### BELGIAN RETAIL BANKING (BRB)

For the whole of 2017, BRB reported sustained business activity. Loans were up by 6.1% compared to 2016 with good growth in loans to corporate customers and an increase in mortgages. Deposits rose by 3.2% thanks in particular to growth in current accounts. Off balance sheet savings outstandings grew by 3.4% compared to 31 December 2016.

The business also continued its digital transformation and to develop new customer journeys, launching this year *Itsme*<sup>(6)</sup>, an app that gives customers a single digital ID which provides secure access to a very large number of mobile services. It also continued developing mobile uses with 1.3 million users of *Easy Banking* App and 24 million mobile app contacts in December 2017 (+49% compared to December 2016).

BRB's revenues<sup>(7)</sup> were up by 0.4% compared to 2016, at 3,677 million euros: net interest income<sup>(7)</sup> was down by 1.6%, the growing impact of the low interest rate environment being only partly offset by growing volumes. Fees<sup>(7)</sup> were up by 6.7% due in particular to an increase in financial fees.

Operating expenses<sup>(7)</sup> were down by 1.1% compared to 2016, to 2,554 million euros thanks to the effect of cost saving measures.

At 1,123 million euros, gross operating income<sup>(7)</sup> was up by 4.0% compared to last year.

The cost of risk<sup>(7)</sup> was again very low this year, at 6 basis points of outstanding customer loans (65 million euros). It was 98 million euros in 2016.

After allocating one-third of Belgian Private Banking's net income to the Wealth Management business (International Financial Services division), BRB generated 1,013 million euros in pre-tax income, up by 10.3% compared to 2016.

(1) Including 100% of Private Banking in France (excluding PEL/CEL effects).

(2) Excluding PEL/CEL effects of +19 million euros compared to -2 million euros in 2016.

(3) Sale of a portfolio of non-performing loans comprising corporates and mortgages loans for a total of 1 billion euros.

(4) With 100% of Private Banking in Italy.

(5) Restructuring costs (50 million euros) and compulsory contribution to the resolution process of 4 Italian banks (47 million euros).

(6) Developed within the Belgian Mobile ID consortium which comprises several telecoms operators and banks.

(7) With 100% of Private Banking in Belgium.

## OTHER DOMESTIC MARKETS BUSINESS UNITS (ARVAL, LEASING SOLUTIONS, PERSONAL INVESTORS AND LUXEMBOURG RETAIL BANKING)

For FY2017, the specialised businesses of Domestic Markets continued their business development: the growth of Arval was sustained and the financed fleet (1.1 million vehicles) increased sharply (+7.7% compared to 2016); the financing outstandings of Leasing Solutions showed solid growth (+5.8%<sup>(1)</sup> compared to 2016); Personal Investors saw a good level of new client acquisition (+3.2% in Germany compared to 2016) and, lastly, Compte-Nickel, the acquisition of which was finalised on 12 July 2017, recorded 323,500 accounts opened, up 29% compared to last year.

Luxembourg Retail Banking's outstanding loans rose by 7.4% compared to 2016, with robust growth in mortgages and corporate loans, and deposits were up by 15.4% with strong inflows in particular in the corporate segment.

Overall, revenues<sup>(2)</sup> of the five businesses were up by 3.8% compared to 2016, at 2,782 million euros, driven in particular by Personal Investors and Arval.

Operating expenses<sup>(2)</sup> rose by 8.1% compared to 2016, at 1,608 million euros, as a result of the development of these five growing businesses and the costs to launch new digital services, in particular at Leasing Solutions (*Kintessia*, a B-to-B marketplace; *So Easy*, online credit application) and Arval (*Integral Fleet*, online reporting; *Arval for me*, an online platform geared to individual customers).

The cost of risk<sup>(2)</sup> was down by 26 million euros compared to 2016, at 89 million euros.

Thus, the contribution of these five business units, after allocating one-third of Luxembourg Private Banking's net income to the Wealth Management business (International Financial Services division), was 1,124 million euros (+0.1% compared to 2016).

## INTERNATIONAL FINANCIAL SERVICES

For the whole of 2017, the International Financial Services' businesses reported a good business development: Personal Finance maintained a strong business drive and acquired, together with PSA, General Motors Europe's financing activities<sup>(3)</sup>; Europe-Mediterranean and BancWest continued their growth and the assets under management of the Wealth & Asset Management businesses were up by +4.0% compared to 31 December 2016, reaching 1,051 billion euros thanks to good asset inflows in all the businesses.

The operating division actively implemented the 2020 plan: it is developing new partnerships generating growth at Personal Finance (Hyundai and Masmovil in Spain, TUI in France, XXXLutz in Austria) and in Insurance (extension of the partnership with Volkswagen Financial Services); it is optimising the customer experience with new features for Wealth Management's customer app and roll-out of electronic signature at Personal Finance; it is continuing to develop

new technologies and new businesses with the acquisition by Asset Management of Gambit, a provider of digital investment advisory solutions (robo-advisory) and the launch by Personal Finance of new digital banks in Europe (*Hello bank! by Cetelem*); it is industrialising and enhancing operating efficiency with, for example, the implementation at Asset Management of *Aladdin*, an IT outsourcing solution developed by BlackRock.

The operating division also made several growth-enhancing acquisitions this year. In addition to the financing activities of General Motors Europe<sup>(3)</sup> in partnership with PSA (Personal Finance), it acquired *Sevenday Finans AB* in Sweden (Personal Finance), the remaining 50% stake in *Cargeas* in Italy (Insurance) and *Strutt & Parker* in the United Kingdom (Real Estate Services). These acquisitions are expected to contribute to the Group over 700 million euros in revenues and roughly 280 million euros in additional pre-tax income by 2020.

At 15,899 million euros, revenues were up by 2.7% compared to 2016. At constant scope and exchange rates, they were up by 4.8% (unfavourable foreign exchange rate effects this year).

Operating expenses (9,722 million euros) were up by 1.9% compared to last year (+3.7% at constant scope and exchange rates) as a result of the development of businesses. The operating division thus generated a positive 1.1 point jaws effect<sup>(4)</sup>.

Gross operating income thus totalled 6,177 million euros, up by 4.1% compared to 2016 (+6.7% at constant scope and exchange rates).

The cost of risk was at a low level, at 1,351 million euros, down by 145 million compared to 2016.

The other non-operating items totalled 433 million euros (8 million euros in 2016) and included the exceptional impact of the 326 million euros capital gain resulting from the initial public offering of SBI Life, a major life-insurance player in India<sup>(4)</sup>.

International Financial Services' pre-tax income thus increased significantly to 5,820 million euros: +18.2% compared to 2016 (+12.2% at constant scope and exchange rates), reflecting the operating division's strong growth.

## PERSONAL FINANCE

For 2017, Personal Finance continued its strong growth. Outstanding loans grew by +12.2% compared to 2016, driven by a rise in demand in a favourable context in Europe and the effect of new partnerships. The business continued to develop partnerships, signing new agreements in the automotive sector with Kia and Hyundai in Spain, in new sectors (tourism with TUI in France, telecoms with Masmovil in Spain) and new countries (XXXLutz in Austria).

The business acquired in partnership with PSA the financing activities of General Motors Europe<sup>(3)</sup> which meet the financing needs of close to 1,800 dealers in 11 countries in Europe (outstandings of about 9.4 billion euros at the end of 2017).

(1) At constant scope and exchange rate.

(2) With 100% of Private Banking in Luxembourg.

(3) Acquisition finalised on 31 October 2017.

(4) Sale of a 4% stake (IPO price of 700 rupees per share); 22% equity investment in SBI Life after the IPO.



## BNP PARIBAS GROUP IN 2017

Pursuant to the partnership agreement, BNP Paribas fully consolidates the entity.

Personal Finance continued to develop digital banking with the launch of an online bank in the Czech Republic, *Hello bank! by Cetelem*, which leverages its brand recognition as well as its large client base. The business continued innovating with the roll-out in several countries of electronic signature and new credit card features with more flexible renewable accounts.

Personal Finance's revenues were up by 5.2% compared to 2016, at 4,923 million euros (+5.0% at constant scope and exchange rates), as a result of a rise in volumes and the positioning on products with a better risk profile. They were driven in particular by a strong drive in Italy, Spain and Belgium.

Operating expenses were up by 5.6% compared to 2016, at 2,427 million euros. They were up by 4.4% at constant scope and exchange rates, in connection with business development, producing a positive 0.6 point<sup>(1)</sup> jaws effect.

Gross operating income thus totalled 2,496 million euros, up by 4.8% compared to 2016 (+5.6% at constant scope and exchange rates).

At 1,009 million euros (979 million euros in 2016), the cost of risk was up by 30 million euros due to the rise in outstanding customer loans. As a proportion of the loan portfolio, it continued to decline, at 147 basis points of outstandings (159 basis points in 2016) due to the low interest rate environment and the growing positioning on products with a better risk profile.

Personal Finance's pre-tax income was thus 1,607 million euros, up by 11.4% compared to 2016 (+10.5% at constant scope and exchange rates), reflecting the strong growth of the business.

### EUROPE-MEDITERRANEAN

For the whole of 2017, Europe-Mediterranean continued to grow. Outstanding loans rose by 5.2%<sup>(1)</sup> compared to 2016 with a rise in all regions and deposits grew by 7.2%<sup>(1)</sup>. There was a good development of the digital offering with already over 475,000 clients for *Cepteteb* in Turkey and 210,000 clients for *BGZ OPTIMA* in Poland. The business also continued its innovations with the launch by BGZ BNP Paribas in Poland of contactless payment *via* mobile and of *Gomobile*, an app to manage accounts on mobile.

At 2,337 million euros, revenues<sup>(2)</sup> were up by 2.3%<sup>(1)</sup> compared to 2016, up in all regions in connection with higher volumes. It includes however the impact in Turkey of the rise in deposit rates not yet offset by the gradual repricing of loans.

Operating expenses<sup>(2)</sup>, at 1,661 million euros, rose by 4.6%<sup>(1)</sup> compared to last year, due to business development.

The cost of risk<sup>(2)</sup> totalled 259 million euros (437 million euros in 2016), or 68 basis points of outstanding customer loans. It benefited from the positive impact of provision write-backs and improved risk, in particular in Turkey.

After allocating one-third of Turkish Private Banking's net income to the Wealth Management business, Europe-Mediterranean thus generated 616 million euros in pre-tax income, up by 23.6%<sup>(3)</sup> compared to last year.

### BANCWEST

In 2017, BancWest continued its good business drive. Loans were up by 6.1%<sup>(1)</sup> compared to 2016, with sustained growth in individual and corporate loans. Deposits were up by 9.9%<sup>(1)</sup> with a sharp growth in current and savings accounts. The assets under management of Private Banking (13.1 billion U.S. dollars as at 31 December 2017) were up by 11.4%<sup>(1)</sup> compared to 31 December 2016.

BancWest also continued to develop new usages with already 415,000 users of its banking services on mobile. The business also expanded its cooperations with the Group through the implementation of the *One Bank for Corporates'* approach and the centralisation at BancWest of the Group's cash management operations in the United States.

The year was also marked by the successful placement of 20.6% in First Hawaiian Bank in the market. Now 61.9% owned, it will continue to be fully consolidated so long as the Group maintains its control.

Revenues<sup>(4)</sup>, at 2,994 million euros, rose by 2.4%<sup>(1)</sup> compared to 2016. Excluding the effect of capital gains from the sale of securities and loans, which were significant in 2016, they rose by 5.1%<sup>(1)</sup> as a result of volume growth.

At 2,035 million euros, operating expenses<sup>(4)</sup> rose by 1.8%<sup>(1)</sup> compared to 2016, reflecting good cost containment and generating a positive 0.6 point jaws effect.

The cost of risk<sup>(4)</sup> (111 million euros) was still low, at 17 basis points of outstanding customer loans (85 million euros in 2016).

Thus, after allocating one-third of U.S. Private Banking's net income to the Wealth Management business, BancWest generated 830 million euros in pre-tax income, down by 1.5%<sup>(5)</sup> compared to 2016 but up by 8.5%<sup>(6)</sup> excluding the effect of capital gains from sales, reflecting the business's solid operating performance.

(1) At constant scope and exchange rates.

(2) With 100% of Private Banking in Turkey.

(3) At constant scope and exchange rates (+8.9% at historical scope and exchange rates given an unfavourable foreign exchange effect)

(4) With 100% of Private Banking in the United States.

(5) At constant scope and exchange rates (-3.7% at historical scope and exchange rates).

(6) At constant scope and exchange rates (+5.5% at historical scope and exchange rates).

## INSURANCE AND WEALTH AND ASSET MANAGEMENT

For the whole of 2017, the Insurance and Wealth & Asset Management businesses continued their growth. As at 31 December 2017, their assets under management<sup>(1)</sup> reached 1,051 billion euros (+4.0% compared to 31 December 2016). They rose by 41 billion euros compared to 31 December 2016 due in particular to 22.6 billion euros in net asset inflows (strong asset inflows at Wealth Management in particular in France and in Asia; positive net asset inflows in Asset Management, in particular into diversified and bond funds despite asset outflows from money market funds; good asset inflows in Insurance concentrated on unit-linked accounts) and a strong 44.7 billion euro performance effect due to the favourable evolution of the equity markets, partly offset by an unfavourable -25.6 billion euro foreign exchange effect.

As at 31 December 2017, assets under management<sup>(1)</sup> were split as follows: Asset Management (424 billion euros), Wealth Management (364 billion euros), Insurance (237 billion euros) and Real Estate Services (26 billion euros).

Insurance continued to develop its business, both in savings and protection insurance, with good growth in Europe and a strong drive in Asia and Latin America. The business developed and reinforced its partnerships by signing agreements with Sumitomo Mitsui in Japan, Volkswagen in Europe and Itau in Chile. It also carried out this year the initial public offering on excellent terms of SBI Life<sup>(2)</sup>, a major player in life-insurance in India, thus valuing 2 billion euros<sup>(3)</sup> the remaining 22% stake (which continues to be consolidated under the equity method).

Insurance's revenues, at 2,514 million euros, were up by 5.6% compared to 2016, due to business development and the favourable

evolution of financial markets. Operating expenses, at 1,251 million euros, rose by 4.2%, as a result of business development. The other non-operating items totalled 375 million euros (negligible in 2016) due to the exceptional impact of the capital gain from the sale of 4% of SBI Life. After taking into account the good performance of the associated companies, pre-tax income was thus up by 36.4% compared to 2016, at 1,867 million euros (+9.0% at constant scope and exchange rates).

The business activity of Wealth and Asset Management was strong. The business continued to develop digital and new customer experiences with the purchase of Gambit, a provider of digital investment advisory solutions (robo-advisory) geared to retail banks and private banks in Europe. The quality of Wealth and Asset Management's offering was rewarded with the *Best Private Bank in Europe and in Asia*<sup>(4)</sup> prize. For its part, the Asset Management business adopted the single BNP Paribas Asset Management brand and continued its transformation. The Real Estate Services business added the acquisition of Strutt and Parker to its sustained organic growth.

Wealth and Asset Management's revenues (3,193 million euros) grew by 7.3% compared to 2016 as a result of the development of the businesses and very good performances of Wealth Management and Real Estate Services. Operating expenses were under good control, at 2,387 million euros (+2.0% compared to 2016), generating a largely positive jaws effect. At 899 million euros, Wealth and Asset Management's pre-tax income, after receiving one-third of the net income of Private Banking in the domestic markets, in Turkey and in the United States, was up by 31.2% compared to 2016, reflecting the very good overall performance of the Wealth and Asset Management businesses.

## CORPORATE AND INSTITUTIONAL BANKING (CIB)

For the whole of 2017, CIB reported solid business growth. The operating division operated though in a challenging market environment in the second half of the year.

CIB actively implemented the 2020 plan. The operating division is developing its base of corporate clients (with good revenue growth in targeted countries, +5.6% in Germany compared to 2016, and a gain of over 125 new client groups this year in Europe) and institutional clients (through the bolstering of the coordinated offering of the businesses), leveraging on the Group's global presence. It is implementing targeted growth initiatives, signing new partnerships (GTS in the United States to enhance the Global Markets offering to clients and Symphony, a secure communication platform including workflow automation tools for institutional clients which already has over 200,000 users), strengthening the integrated model between the businesses (developing joint Securities Services and Global Markets offerings) and rolling out new offerings. It is accelerating digital transformation with 150 digital projects

identified and the development of digital client interfaces like Centric, the online platform for businesses that is already used by close to 8,200 clients.

The operating division reduced its cost income ratio by 1.7 points on the back of the implementation of cost saving programmes launched since 2016 (0.6 billion euros in savings in 2 years) including the development of shared platforms, the implementation of new end-to-end processes and the automation of certain tasks (250 cases of robotics uses identified). It optimised its financial resources by right-sizing sub-profitable portfolios and actively managing its outstandings (allocated equity down by 4.9% compared to 2016), with a gradual reallocation into growth of the resources thereby freed up. CIB thus made significant progress in achieving its 2020 objectives and increased its return on equity by 2.8 points compared to last year, at 16.1%<sup>(5)</sup>.

(1) Including distributed assets.

(2) Sale of a 4% stake based on the IPO price of 700 rupees per share.

(3) Based on the IPO price.

(4) Wealth Briefing Awards 2017.

(5) Pre-tax Return on Notional Equity.

Revenues of the operating division, at 11,704 million euros, were up by 2.1% compared to 2016 despite an unfavourable foreign exchange effect (+3.8% at constant scope and exchange rates).

At 5,584 million euros, Global Markets' revenues were down by 1.2% compared to 2016 but up by 0.8% at constant scope and exchange rates thanks to the continued strengthening of commercial positions partly offset by an unfavourable context for FICC<sup>(1)</sup> in the second half of the year. VaR, which measures market risks, was still very low (26 million euros). The revenues of FICC<sup>(2)</sup>, at 3,450 million euros, were down by 8.6%<sup>(2)</sup> compared to 2016 with low volatility and limited client volumes in all segments. The business confirmed however its leading position in bond issues where it ranked number 1 for all bond issues in euros and number 9 for all international bond issues. At 2,135 million euros, Equity and Prime Services' revenues rose for their part sharply (+20.9%<sup>(2)</sup>), driven by good development of Prime Services and a pick-up in the equity derivatives business.

The success of Exane BNP Paribas<sup>(3)</sup> was illustrated by its move into the number one position in Europe in the Extel 2017 ranking for equity research, brokerage and equity sales.

Securities Services' revenues, at 1,955 million euros, were up by 7.2% compared to 2016 (+8.3% at constant scope and exchange rates), due to the very good drive of the business and the positive effect of the new mandates. Assets under custody and under management were thus up by 11.0% compared to 31 December 2016 and the number of transactions by 6.4% compared to last year. The business also continued to gain new significant mandates and announced a major strategic partnership in the United States with Janus Henderson Investors (138 billion U.S. dollars of assets under custody)<sup>(4)</sup>.

Corporate Banking's revenues, at 4,165 million euros, were up by 4.3% compared to 2016. They rose by 6.1% at constant scope and

exchange rates and were up in the three regions with good growth in Europe, strong rise in Asia Pacific and a good level of business in the Americas region. The business reported solid growth in the transaction businesses: it ranked number 1 for the third year in a row in Trade Finance in Europe and number 3 for the first time in Asia<sup>(5)</sup>. At 131 billion euros, loans were up by 1.3% compared to 2016. Deposits continued to grow, at 130 billion euros (+11.1% compared to 2016), as a result of the good development of cash management. The business ranked number 2 for syndicated loans and number 3 for equity linked issues in the EMEA region<sup>(6)</sup>. The good growth of the business and the strengthening of its commercial positions were thus illustrated this year by the *World Best Bank for Corporates* prize awarded by the Euromoney magazine.

At 8,273 million euros, CIB's operating expenses were down by 0.4% (+1.8% at constant scope and exchange rates) compared to 2016, generating a positive 2 point<sup>(2)</sup> jaws effect. The effect of increased business is largely offset by cost saving measures launched as early as the beginning of 2016.

CIB's gross operating income was thus up significantly by 8.6%, at 3,431 million euros (+9.2% at constant scope and exchange rates).

CIB's cost of risk was at a very low level, at 81 million euros, down by 136 million euros compared to 2016. Corporate Banking's cost of risk was 70 million euros (292 million euros in 2016), or only 6 basis points of outstanding customer loans due to provision write-backs. Global Markets' cost of risk was 15 million euros (72 million euros in net write-back in 2016).

CIB thus generated 3,395 million euros in pre-tax income, up sharply by 14.6% compared to 2016 (+15.7% at constant scope and exchange rates), reflecting solid business growth combined with cost saving measures.

## CORPORATE CENTRE

Corporate Centre revenues in 2017 totalled 394 million euros compared to 1,294 million euros in 2016. They included the exceptional impact in 2016 of +597 million euros in capital gains from the sale of Visa Europe shares while it included this year only +233 million euros in capital gains from the sale of Shinhan and Euronext shares. The Own Credit Adjustment (OCA) and own credit risk included in derivatives (DVA) totalled -175 million euros (compared to -59 million euros in 2016). As in 2016, Principal Investments made a very good contribution to revenues.

Operating expenses totalled 1,627 million euros compared to 1,189 million euros in 2016. They included the exceptional impact of

101 million euros in the acquisitions' restructuring costs<sup>(7)</sup> (158 million euros in 2016) and 856 million euros in transformation costs (they included in 2016 395 million in CIB adaptation costs).

The cost of risk totalled 121 million euros (39 million euros in 2016).

Non-operating items totalled -177 million euros (-204 million euros in 2016). They included the exceptional impact of the impairment of the full amount of TEB's goodwill for -172 million euros (they included in 2016 -127 million euros in BGZ's goodwill impairment).

The Corporate Centre's pre-tax income was thus -1,464 million euros (-55 million euros in 2016).

(1) Fixed Income, Currencies, and Commodities.

(2) At constant scope and exchange rates.

(3) Consolidated under the equity method.

(4) Closing of the transaction expected in the first quarter 2018.

(5) Greenwich Share Leader Survey.

(6) Europe, Middle East, Africa.

(7) In particular, LaSer, Bank BGZ, DAB Bank and GE LLD.



## FINANCIAL STRUCTURE

The Group's balance sheet is very solid.

The fully loaded Basel 3 common equity Tier 1 ratio<sup>(1)</sup> was 11.8% as at 31 December 2017, up by 30 basis points compared to 31 December 2016, primarily due to the year's net income after taking into account the 50% dividend pay-out ratio (+60bp) and the rise in risk-weighted assets excluding the scope and foreign exchange effect (-30bp). The foreign exchange is, on the whole, limited on the ratio along with the effect of main acquisitions and sales, the effect in particular of the acquisition in the fourth quarter 2017 of the financing activities of General Motors Europe (-10 bp) offsetting the effect of the sale in the first quarter 2017 of First Hawaiian Bank (+10 bp).

The Basel 3 fully loaded leverage ratio<sup>(2)</sup>, calculated on total Tier 1 capital, totalled 4.6% as at 31 December 2017.

The Liquidity Coverage Ratio stood at 121% as at 31 December 2017.

The Group's liquid and asset reserve immediately available totalled 285 billion euros, which is equivalent to more than one year of room to manoeuvre in terms of wholesale funding.

The evolution of these ratios illustrates the Group's ability to manage its balance sheet in a disciplined manner within the regulatory framework.

The estimated impact of the first-time application of the new IFRS 9 accounting standard on 1st January 2018 are expected to be limited for the Group: roughly -1.1 billion euros for shareholders' equity not revaluated<sup>(3)</sup> (-2.5 billion euros for shareholders' equity revaluated<sup>(4)</sup> and -10bp roughly on the fully loaded Basel 3 common equity Tier 1 ratio<sup>(1)</sup>.

## GOOD START OF THE 2017-2020 PLAN

In the gradually more favourable macroeconomic context (robust economic growth forecasts in Europe and an improving interest rate environment starting next year), the Group is actively implementing the 2017-2020 business development plan.

Leveraging on the Group's integrated and diversified model, this plan is based on an ambitious transformation programme in all the operating divisions as well as differentiated business development strategies between Domestic Markets, IFS and CIB in compliance with a strict corporate social and environmental policy.

### GOOD START OF THE AMBITIOUS PROGRAMME OF NEW CUSTOMER EXPERIENCES, DIGITAL TRANSFORMATION AND SAVINGS

The Group is implementing in all the operating divisions an ambitious transformation programme that aims at the same time to implement new customer experiences, speed up digital transformation and improve the operating efficiency.

Five levers are thereby implemented throughout the Group to reinvent the customer experience and build a more effective and digital bank: (1) implement new customer journeys (new digitalised, value-added and personalised customer services and journeys that were illustrated in particular this year by the launch of *LyfPay*, a

universal mobile payment solution, the acquisition of *Compte-Nickel* and the development of the online platform *Centric* at CIB); (2) upgrade the operational model by streamlining processes, simplifying organisations and developing shared platforms with, for example, the announcement this year of the roll-out of the BlackRock's *Aladdin* platform at Asset Management; (3) adapt information systems by incorporating in particular new technologies in order to speed up the digital transformation and by promoting agile work practices, which entails the development of Data Hubs to interface between banking and digital platforms; (4) make better use of data to serve clients all the whilst bolstering data storage and data analysis capacities: the acquisition this year of *Gambit* in the robo-advisory field will contribute to this objective; (5) develop more digital, collaborative and agile work practices, which translated this year in particular in an equity investment in *Symphony*, a secure and automated communication platform at Global Markets.

The Group plans to invest 3 billion euros between 2017 and 2019 in this programme that will generate 3.4 billion euros in savings during the same period and 2.7 billion euros in annual recurring savings starting from 2020 with a balanced contribution of all the divisions.

In 2017, transformation costs totalled 856 million euros (with a gradual ramping up) and savings generated amounted to 533 million euros, in line with the plan.

(1) Taking into account all the rules of the CRD 4 directives with no transitory provisions. Subject to the provisions of article 26.2 of Regulation (EU) No. 575/2013.

(2) Taking into account all the rules of the CRD 4 directives in 2019 with no transitory provisions, calculated according to the delegated act of the European Commission dated 10 October 2014.

(3) Excluding valuation reserves (Group share).

(4) Including valuation reserves (Group share).

## DIFFERENTIATED BUSINESS DEVELOPMENT STRATEGIES SUCCESSFULLY IMPLEMENTED BY THE DIVISIONS

In an interest rate environment that is expected to improve only gradually and given new client expectations influenced by digital usages, Domestic Markets reinforces its sales and marketing drive with new customer experiences, enhanced attractiveness of the offering and new services.

As a growth engine for the Group, International Financial Services strengthens its leading positions in its specialised businesses, accelerates their development (new offerings, new partnerships, new regions) and continues the selective expansion of retail banks.

Lastly, CIB optimises the use of its resources and revenue growth by expanding its corporate and institutional client base, targeting particularly certain countries in Europe, and growing fee-generating businesses, all the while reducing its costs.

These differentiated strategies are successfully implemented in all three operating divisions. The sharp rise in their pre-tax income compared to 2016 illustrates the good evolution of their operating performance (Domestic Markets: +4.7%, IFS: +18.2%, CIB: +14.6%).

## COMMITMENT FOR A POSITIVE IMPACT ON SOCIETY

The Group is pursuing an ambitious corporate social and environmental responsibility policy and is committed to making a positive impact on society. It thus created this year a Company Engagement Department, whose head is a member of the Group Executive Committee, in order to reinforce its action in this field. This new Department defines the Group's commitments to civil society, strengthens CSR practices and makes all the Company's levers converge to meet key challenges in society.

The Group aims at financing the economy in an ethical way, promoting the development of its employees, supporting initiatives that have a social impact and playing a major role in the transition toward a low carbon economy. It announced that it will stop funding companies whose principal business activity is gas/oil from shale, oil from tar sands or oil/gas production located in the Arctic region. It also announced that it will stop the financings to tobacco companies. It originated and placed sustainable bonds for an equivalent of 6 billion U.S. dollars (+116% compared to 2016).

This policy committed for a positive impact on society is recognised by very good rankings in major specialised indices (named for example first bank in Europe in terms of CSR by *Global Banking & Finance Review*).

The Group is moreover a very significant tax payer, with a total amount of taxes and levies of 5.3 billion euros in 2017.

## CONFIRMED 2020 OBJECTIVES

Based on conservative macroeconomic assumptions, the plan takes into account regulatory constraints expected by 2020.

The Group confirms its 2020 targets with revenue growth above or equal to 2.5% per year and 2.7 billion euros in recurring cost savings starting in 2020, bringing the cost income ratio down to 63%.

It aims at a return on equity above 10% in 2020 with a 12%<sup>(1)</sup> CET1 ratio. The dividend pay-out ratio was increased this year to 50%, in line with the plan.

(1) At a constant regulatory framework.

# BNP PARIBAS SA FIVE-YEAR FINANCIAL SUMMARY

## (PARENT COMPANY FINANCIAL STATEMENTS)

	2013	2014	2015	2016	2017
<b>Share capital at year-end</b>					
■ a) Share capital (in euros)	2,490,325,618	2,491,915,350	2,492,770,306	2,494,005,306	2,497,718,772
■ b) Number of shares in issue	1,245,162,809	1,245,957,675	1,246,385,153	1,247,002,653	1,248,859,386
■ c) Number of convertible bonds in issue	None	None	None	None	None
<b>Results of operations for the year (in millions of euros)</b>					
■ a) Total revenues, excluding VAT	26,704	24,598	28,160	32,458	27,707
■ b) Earnings before taxes, depreciation, amortisation and impairment	6,183	1,766	7,323	10,153	3,003
■ c) Income tax expense	(466)	(218)	(74)	(278)	345
■ d) Earnings after taxes, depreciation, amortisation and impairment	4,996	(3,089)	6,232	9,266	3,157
■ e) Total dividend payout <sup>(1)</sup>	1,868	1,869	2,879	3,367	3,772
<b>Earnings per share (in euros)</b>					
■ a) Earnings after taxes, but before depreciation, amortisation and impairment	4.59	1.24	5.82	7.92	2.68
■ b) Earnings after taxes, depreciation, amortisation and impairment	4.01	(2.48)	5.00	7.43	2.53
■ c) Dividend per share <sup>(1)</sup>	1.50	1.50	2.31	2.70	3.02
<b>Employee data</b>					
■ a) Number of employees at year-end	47,562	49,132	49,751	51,498	53,078
■ b) Total payroll expense (in millions of euros)	3,772	3,713	4,288	4,263	4,441
■ c) Total social security and employee benefit charges paid (in millions of euros)	1,359	1,328	1,404	1,599	1,577

(1) For 2017, subject to approval at the Annual General Meeting of 24 May 2018.

### BNP Paribas Group consolidated results

In billions of euros	2016	2017
<b>Revenues</b>	<b>43,411</b>	<b>43,161</b>
Operating expenses	(29,378)	(29,944)
<b>Gross Operating income</b>	<b>14,033</b>	<b>13,217</b>
Cost of risk	(3,262)	(2,907)
<b>Operating income</b>	<b>10,771</b>	<b>10,310</b>
Non operating items	439	1,000
<b>PRE-TAX INCOME</b>	<b>11,210</b>	<b>11,310</b>
<b>NET INCOME GROUP SHARE</b>	<b>7,702</b>	<b>7,759</b>

# PRACTICAL INFORMATION

## FOR SHAREHOLDERS ATTENDING THE MEETING

**ON 24 MAY 2018, THE MEETING WILL BEGIN AT 10.00 AM PRECISELY.  
SHAREHOLDERS WILL BE WELCOME FROM 8.30 AM.**

Due to security measures at the entrance of the reception area, we kindly ask shareholders to arrive early enough to sign the attendance list and show proof of identity.

Shareholders are prompted to use Votaccess if their custodian is connected to this system. The request for an admission card and its printing take only a few minutes.

### YOU ARE ADVISED TO:

1. have your admission card and proof of identity, in order to sign the attendance list;
2. please make sure you have been given an electronic voting box with the instructions for use before you enter the meeting room (it should have been given to you when signing the attendance list);
3. comply with the voting procedures that you will receive during the meeting.

**To allow for a proper calculation of the votes and quorum, shareholders are reminded that attendance sheets will not be available from noon.**

For years BNP Paribas has embraced a sustainable development approach, viewing this as a solid foundation for ongoing value creation for its shareholders. The Bank therefore decided that the Annual General Meeting, a key opportunity to meet investors, should be part of the Company's corporate social responsibility strategy.

For every shareholder who will attend the Annual General Meeting on 24 May 2018, BNP Paribas will donate EUR 12 to the "Coup de pouce aux projets du personnel" ("A Helping Hand for Employee Projects") programme, specifically developed by the BNP Paribas Foundation to encourage public-interest initiatives for which Bank staff personally volunteer their time and efforts.

The amounts collected (EUR 18,300 in 2017) are donated in addition to the funds that the Bank already grants to this programme via the

BNP Paribas Foundation, which operates under the aegis of the Fondation de France. In France, total 2017 contributions were ultimately divided between 28 projects, all of which were initiated by BNP Paribas staff. Most of those projects were in Europe (57%), Africa (28%), and 15% in the rest of the world. The amounts awarded to 24 of these projects varied from EUR 1,000 to EUR 4,000 (with an average of EUR 3,300) depending on the scale of the project, its nature and, naturally, the commitment of employees to the projects they propose; the 4 remaining projects were allocated an "Helping Hand" bonus, i.e. a 9,000 euro subsidy for each of them. The projects mainly involved community outreach: education, poverty and integration (18%), humanitarian aid (42%), and healthcare and disability (40%). The allocation of funds is contained in the convening notice for the following Annual General Meeting.


# HOLDERS OF REGISTERED SHARES: OPT FOR ELECTRONIC CONVENING

By choosing to be notified of the Annual General Meeting by email every year, you will be supporting our sustainable development approach. The email message will provide you with all the necessary information and access to the voting site before the meeting.

As a holder of registered shares, you may subscribe to this service online by logging onto the site <https://planetshares.bnpparibas.com>.

Go to the menu "My personal information/My subscriptions", subscribe to this service and register your email address.

You are holders of **fully registered shares**: log in using the User ID and password already provided to you and that you generally use to check your account on the PlanetShares site.

You are holders of **administered registered shares**: your ID is displayed on the top right of your voting form. If you do not have your password, ask for it to be sent to you on the planetshares site by clicking the link "First log-in" or the "Forgot password" link. You can also contact the  support line or from abroad on +33(0)1 40 14 80 37.

If you wish to return to receiving your convening notice by post, all you have to do is send us an email or log into planetshares using the same procedure as when you registered.



# REQUEST FOR DOCUMENTS AND INFORMATION

**FORM TO BE SENT TO:**

**BNP PARIBAS SECURITIES SERVICES  
CTO – SERVICES ASSEMBLÉES  
GRANDS MOULINS DE PANTIN  
93761 PANTIN CEDEX**

**COMBINED GENERAL MEETING ON THURSDAY 24 MAY 2018**

The undersigned

Surname and first name: .....

Address: .....

.....

Zip Code 

--	--	--	--	--	--

 City: .....

Holding: .....

- registered shares,
- bearer shares in the books of<sup>(1)</sup>: .....

.....  
kindly asks BNP Paribas to send documents and information as stated in article R.225-83 and article R.225-88 of the French Commercial Code, in view of the Combined General Meeting of 24 May 2018.

*(1) Name and address of the custodian in charge of your shares.*

In: .....

Date .....2018

Signature .....

**PLEASE NOTE: As per paragraph 3 of article R.225-88 of the French Commercial Code, the holders of registered shares may obtain these documents from the bank for each further General Meeting.**





BNP PARIBAS  
Société anonyme with capital of EUR 2,497,718,772  
Head Office: 16, boulevard des Italiens  
75009 Paris – Trade Register No. 662 042 449 Paris

LABRADOR +33 (0)1 53 06 30 80 - This document is printed in France by an Imprim'Vert certified printer on PEFC certified paper produced from sustainably managed forest.



**BNP PARIBAS**

**The bank  
for a changing  
world**