BNP PARIBAS

THIRD AMENDMENT TO THE 2020 UNIVERSAL REGISTRATION DOCUMENT,

FILED WITH THE AMF ON JULY 30TH, 2021

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This is a translation into English of the (universal) registration document of the Company issued in French and it is available on the website of the Issuer

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AUTORITÉ DES MARCHÉS FINANCIERS

AMF

The third amendment to the 2021 Universal Registration Document has been filed with the AMF on 30 July 2021 as competent authority under Regulation (EU) 2017/1129 without prior approval pursuant to Article 9 of Regulation (EU) 2017/1129;

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

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

1. HALF YEAR MANAGEMENT REPORT

1.1 Group presentation

BNP Paribas, Europe's leading provider of banking and financial services, has four domestic retail banking markets in Europe, namely in Belgium, France, Italy and Luxembourg.
It operates in 66 countries and has nearly 190,000 employees, including nearly 150,000 in Europe. BNP Paribas holds key positions in its two main businesses:

- **Retail Banking and Services, which includes:**
  - Domestic Markets, comprising:
    - French Retail Banking (FRB);
    - BNL banca commerciale (BNL bc), Italian retail banking;
    - Belgian Retail Banking (BRB);
    - Other Domestic Markets activities including Arval, BNP Paribas Leasing Solutions, Personal Investors, Nickel and Luxembourg Retail Banking (LRB)

  - International Financial Services, comprising:
    - Europe-Mediterranean;
    - BancWest;
    - Personal Finance;
    - Insurance;
    - Wealth and Asset Management;

- **Corporate and Institutional Banking (CIB).**
  - Corporate Banking;
  - Global Markets;
  - Securities Services.

BNP Paribas SA is the parent company of the BNP Paribas Group.

1.2 First half 2021 results

A SOLID MODEL AND A STRONG PERFORMANCE

Business activity moved solidly back on track this semester, in particular in the second quarter 2021 as the public health situation improved, albeit with differentiated momentum from one region, one sector, and one business line to another.

Against this backdrop, BNP Paribas once again demonstrated in the first half, the strength of its diversified model and its growth potential beyond the rebound that already occurred. The Group delivered high quarterly and half-yearly performances that were far higher than in 2019. Accordingly, the Group is well-positioned to continue its growth.

For the first half of the year, revenues came to 23,605 million euros, up by 4.6% compared to the first half of 2020 and by 5.5% compared to the first half of 2019.

In the operating divisions, revenues were up by 2.7%[1]: +5.2% at Domestic Markets[2], driven by the rebound in the networks (in particular in France) and solid performance by the specialised businesses, notably Arval; +3.0% at International Financial Services at constant scope and exchange rates[3], due to the strong increase in asset gathering businesses, good increase at BancWest and a less favourable context in other business lines; and +4.4% at CIB (+20.9% compared to the first half of 2019), on the back of sustained growth after the exceptional performance of the second quarter 2020 and an increase in all three businesses.

The Group's operating expenses increased by 1.8% to 15,769 million euros. They included the exceptional impact of restructuring[4] and adaptation[5] costs (82 million euros) and IT reinforcement costs (66 million euros) for a total of 148 million euro exceptional items (240 million euros in the first half of 2020). The jaws effect was very positive (+2.8 points).

Operating expenses included almost all taxes and contributions for the year (mainly the contribution to the Single Resolution Fund) for 1,460 million euros (1,284 million euros in the first half of 2020).

Operating expenses in the operating divisions rose by 1.1% compared to the first half of 2020. At Domestic Markets, they increased by 1.5%, as they supported growth in the specialised businesses and the rebound of activity in the networks. At International Financial Services, they rose by 2.1% at constant scope and exchange rates[6]. And at CIB, they rose by 4.3%, due to growth in activity and the impact of taxes subject to IFRIC 21.

The Group's gross operating income came to 7,836 million euros (7,068 million euros in the first half of 2020), up by 10.9% compared to the first half of 2020 and 20.8% compared to the first half of 2019. In the operating divisions, it rose by 6.0% compared to the first half of 2020.

At 1,709 million euros, the cost of risk was down by 1,164 million euros compared to the first half of 2020, when it was impacted by provisions on performing loans (stages 1 and 2), in connection with the health crisis. It came to 40 basis points of customer loans outstanding and has normalised at a low level, below the range of 45 to 55 basis points.

[1] +5.6% at constant scope and exchange rates
[2] Including 100% of Private Banking in the domestic networks (excluding PEL/CEL effects)
[3] -1.3% at historical scope and exchange rates
[4] Restructuring costs related in particular to the discontinuation or restructuring of certain businesses (in particular at CIB)
[5] Related in particular to Wealth Management and CIB
[6] -2.2% at historical scope and exchange rates

The Group's operating income, at 6,127 million euros (4,195 million euros in the first half of 2020), thus rose sharply by 46.0% compared to the first half of 2020. It was up by 36.4% compared to the first half of 2020 in the operating divisions.

The Group's non-operating items came to 890 million euros (726 million euros in the first half of 2020). In the first half of 2021, they included the exceptional impacts of the +302 million euro capital gain on the sale of buildings, the +96 million euro capital gain on the sale of a BNP Paribas Asset Management stake, and the +300 million euro capital gain on the sale of Allfunds' shares[1]. In the first half of 2020, they included the +464 million euro exceptional impact of capital gains on the sale of several buildings.

Pre-tax income, at 7,017 million euros (4,921 million euros in the first half of 2020) thus rose sharply, by 42.6% compared to the first half of 2020, and by 15.8% compared to the first half of 2019.

The average corporate tax rate came to 31.8%, due to the impact of the first-quarter recognition of full-year taxes and contributions, in accordance with IFRIC 21 "Taxes", a large portion of which is not deductible.

Net income, group share amounted to 4,679 million euros, an increase of 30.6% compared to the first half of 2020 and of 6.7% compared to the first half of 2019.

The annualised return on tangible equity is 10.6% and reflects the BNP Paribas group's solid performances, thanks to its diversified and integrated model and confirms the rebound and growth potential of its activities.

As at 30 June 2021, the Group's common equity Tier 1 ratio was 12.9%[2], an increase of 10 basis points compared to 31 March 2021. The Group's immediately available liquidity reserve amounted to 488 billion euros, equivalent to over one year of room to manoeuvre in terms of wholesale funding. The leverage ratio[3] stood at 4.0%.

Tangible net book value[4] per share amounted to 76.3 euros, equivalent to a compound annual growth rate of 7.2% since 31 December 2008 and illustrating ongoing value creation throughout economic cycles.

The Board of Directors will propose to shareholders at the Shareholder's Meeting to pay an ordinary cash dividend of 1.55 euros per share[5]. This dividend is in addition to the ordinary dividend of 1.11 euros per share paid out in cash on 26 May 2021 and raises the total ordinary cash dividends paid out in 2021 to 2.66 euros, hence a pay-out ratio of 50% of the Group's 2020 net income.

The Group's distribution policy will be reviewed upon the closing of its 2021 full-year accounts, in particular as part of its 2025 strategic plan. The Group's new distribution policy will be announced when it will present its full-year results in February 2022.

The Group continued to strengthen its internal control framework.

The Group continued to pursue an ambitious policy of engaging with society. As such, the Group has a long-standing commitment to combat climate change, it is one of the first signatories of the Net-Zero Banking Alliance (NZBA), through which it pledged to align the greenhouse gas emissions tied to its financing activities to the trajectory required to achieve CO2-neutrality by 2050. The Group has also made a strong commitment to help protect biodiversity. Three years after joining the act4nature initiative, BNP

[1] Disposal of 6.7% stake in Allfunds; BNP Paribas still holds a 15.77% stake in Allfunds
[2] CRD4; including IFRS9 transitional arrangements
[3] Calculated in accordance with Regulation (EU) 2019/876, without opting for the temporary exclusion related to deposits with Eurosystem central banks authorised by the ECB decision of 18 June 2021
[4] Revaluated
[5] Subject to the approval of the General Meeting of 24 September 2021; detachment scheduled for 28 September 2021; pay-out for 30 September 2021

Paribas has stepped up its commitments contributing to protecting biodiversity, including its pledge to evaluate client companies on biodiversity criteria by 2025.

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RETAIL BANKING & SERVICES

DOMESTIC MARKETS

Domestic Markets' results are very good, thanks to sustained business drive. Loans outstanding rose by +5.2% compared to the first semester 2020, increasing in all business lines, especially in corporate and individual loans. Deposits rose by +10.5% compared to the first semester 2020, driven by the effects of the public health crisis on customer behaviour. Amidst a buoyant environment, fees rose sustainably. Off-balance sheet savings expanded strongly (+15.5% compared to 30 June 2020), driven by a favourable market trend. The recovery in transactional banking (cash management and trade finance) in particular with a 14% increase in corporate client's transaction numbers[1] in the first semester 2021 vs. first semester 2020.

The acceleration in digital uses continues with almost 5 million in daily connexions to the mobile apps[2] as at 30 June 2021.

For the first half of the year, revenues[3], at 8,032 million euros, rose by 5.2% compared to the first half of 2020, driven by higher revenues in the networks[4], mainly sustained by higher fees, financial fees in particular, and by growth in loan activity and offset partly by the low-interest-rate environment. It was also boosted by the strong increase in the specialised businesses, including very good growth at Arval.

Operating expenses[3] rose by 1.5% compared to the first half of 2020, to 5,499 million euros. They were stable in the networks but higher in the specialised businesses in connection with their growth.

Gross operating income[3] thus came to 2,533 million euros, a 14.2% increase compared to the first half of 2020.

The cost of risk[3] decreased overall by 46 million euros compared to the first half of 2020, to 599 million euros

Hence, after allocating one third of Private Banking's net income to Wealth Management business (International Financial Services division), the division achieved a pre-tax income[5] of 1,818 million euros, up sharply compared to the first half of 2020 (+24.7%).

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[1] Number of incoming and outgoing payments (all means of payment) in the first half – Perimeter: Domestic Markets
[2] On average in the second quarter, scope: individual, corporate and private banking clients of DM networks or digital banks (including Germany, Austria) and Nickel
[3] Including 100% of Private Banking in France (excluding the PEL/CEL effects), Italy, Belgium and Luxembourg
[4] FRB, BNL bc and BRB
[5] Excluding PEL/CEL effects of +20 million euros compared to +2 million euros in first half of 2020

French Retail Banking (FRB)

FRB's results improved sharply on the back of its strong business drive. Loans outstanding rose by 8.6% compared to the first semester 2020, driven by an increase in corporate and individual loans. Loans to individuals continued to expand strongly, with sustained production and good level of margin. Deposits rose by 11.5% compared to the second quarter 2020, driven by the effect of the public health crisis on customer behaviour. FRB achieved strong growth in fees, driven by the rebound in economic activity and the expansion in financial savings. Off-balance sheet savings rose sharply (+10.2% compared to 30 June 2020), driven by a very steep increase in gross asset inflows into life insurance.

For the first half of the year, revenues[1] amounted to 3,067 million euros, an increase of 4.6% compared to the first half of 2020. Net interest income[1] rose by 2.5%, due to the gradual normalising in the specialised subsidiaries' contribution during the first half of the year and to the impact of higher loan activity, which were partly offset by the low-interest-rate environment. Fees[1] rose by 7.1%, on the back of the steep rise in financial fees and the rebound in banking fees.

Operating expenses[1], at 2,244 million euros, rose slightly (+0.2% compared to the first half of 2020), thanks to cost-optimisation measures.

Gross operating income[1] amounted to 823 million euros, an increase of 18.9% compared to the first half of 2020.

The cost of risk[1] amounted to 226 million euros (191 million euros in the first half of 2020). It was low, at 21 basis points of customer loans outstanding.

Hence, after allocating one third of Private Banking's net income in France to Wealth Management business (International Financial Services division), FRB achieved a pre-tax income[2] of 533 million euros, an increase of 22.9% compared to the first half of 2020.

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

[2] Excluding PEL/CEL effects of +20 million euros compared to +2 million euros in first half of 2020

BNL banca commerciale (BNL bc)

BNL bc's results rose with the increase in its commercial activity. Loans outstanding were up by 3.2% compared to the first semester 2020, driven mainly by the increase in loans to individuals. They were up by 2.9% when excluding non-performing loans. Deposits were up by 15.8% compared to the first semester 2020 and rose in all customer segments. Off-balance sheet savings rose by 12.0% compared to 30 June 2020, driven by a strong increase in mutual fund outstanding (+19.0% compared to 30 June 2020), due, in turn, to a favourable market trend and an increase in life insurance outstanding (+7.5% compared to 30 June 2020).

For the first half of the year, revenues[1] increased by 2.8% compared to the first half of 2020 and came to 1,345 million euros. Net interest income[1] decreased, by 0.6%, due to the impact of the low-interest-rate environment, partly offset by higher volumes. Fees[1] rose strongly, by 8.1%, on the back of higher financial fees, with the increase in transactions and financial savings.

At 894 million euros, operating expenses[1] rose by 0.8%, and BNL bc achieved a positive jaws effect of 2 points.

Gross operating income[1] rose by 7.3%, to 451 million euros.

At 215 million euros, the cost of risk[1] improved by 28 million euros, driven by ongoing decrease in provisioning of non-performing loans (stage 3). At 55 basis points of customer loans outstanding, BNL's cost of risk[1] was still low.

Hence, after allocating one third of Private Banking's net income in Italy to Wealth Management business (International Financial Services division), BNL bc achieved a pre-tax income of 218 million euros, a steep 37.6% increase compared to the first half of 2020.

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[1] Including 100% of Private Banking in Italy

Retail Banking in Belgium

BRB's results rose sharply, driven by increased commercial activity. Loans outstanding expanded by 0.6% compared to the first semester 2020, driven mainly by the increase in loans to individuals. Deposits rose by 6.7%. Individual customer deposits rose, but corporate customer deposits decreased. Upward momentum in fees was very good. The increase in off-balance sheet savings is solid (+14.7% compared to 30 June 2020), driven in particular by the favourable trend in mutual fund outstanding.

Lastly, digital uses accelerated, with more than 55 million[1] monthly connexions to the mobile apps as at 30 June 2021.

For the first half of the year, revenues[2] were stable (+0.1% compared to the first half of 2020), to 1,722 million euros. Net interest income[2] were down by 4.6%, due to the impact of the low-interest-rate environment, partly offset by the specialised subsidiaries' contribution and by growth in loan activity. Fees[2] rose sharply, by 12.0%, driven up by the steep rise in financial fees and the increase in banking fees, as activity resumed.

Operating expenses[2] decreased by 0.5% compared to the first half of 2020, to 1,323 million euros, thanks to cost-savings measures and the ongoing optimisation of the branch network.

The cost of risk[2] decreased by 42 million euros compared to the first half of 2020, to 92 million euros. Provisions on non-performing loans (stage 3) decreased. At 16 basis points of customer loans outstanding, the cost of risk is low.

Hence, after allocating one third of Private Banking's net income in Belgium to Wealth Management business (International Financial Services division), RBB achieved a strong growth in pre-tax income to 282 million euros (+18.0% compared to the first half of 2020).

Other Domestic Markets businesses (Arval, Leasing Solutions, Personal Investors, Nickel and Luxembourg Retail Banking)

Domestic Markets' specialised businesses all achieved very good business development. Arval's financed fleet rose sharply (+5.9%[3]), and the used car prices continued to rise in all countries. Arval's commitment to corporate social responsibility was recognised by a Platinum medal rewarded by EcoVadis[4] for 2020, placing Arval in the top 1% of companies in the sector. Leasing Solutions' outstandings rose by 3.5%[5] compared to the second quarter 2020, with a level of production on the year to date higher than its 2019 level. Personal Investors achieved a significant increase in assets under management (+40.4% compared to 30 June 2020), driven by strong market performances and the normalising in the number of market orders at a high level. Nickel continued to expand in France, with more than 2.1 million accounts opened[6]. Luxembourg Retail Banking (LRB)'s loans outstanding rose by 5.1% compared to the first quarter 2020, with a very good level of loan production for corporates and individuals.

[1] On average in the second quarter. Scope: individual, business and private banking customers (BNP Paribas Fortis and Hello Bank!)
[2] Including 100% of Belgian Private Banking
[3] Average fleet in thousands of vehicles
[4] Collaborative online platform that assigns CSR performance ratings to companies
[5] At constant scope and exchange rates
[6] Since inception

For the first half of the year, revenues[1] in the five businesses rose strongly by 13.3% compared to the first half of 2020, to 1,898 million euros, driven by very strong growth at Arval, good performances at Leasing Solutions, Personal Investors, and Nickel, and higher fees in Luxembourg Retail Banking, which were offset by the impact of the low-interest-rate environment.

Operating expenses[1] rose by 8.2% compared to the first half of 2020, driven by business growth. The jaws effect was positive (+5.1 points).

The cost of ris[1] amounted to 66 million euros (down from 78 million euros in the first half of 2020).

Hence, after allocating one third of domestic Private Banking's domestic in Luxembourg to Wealth Management business (International Financial Services division), pre-tax income of these five businesses rose sharply, by 25.2% compared to the first half 2020, to 785 million euros.

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[1] Including 100% of Private Banking in Luxembourg

INTERNATIONAL FINANCIAL SERVICES

International Financial Services achieved good results and a sustained business drive. The Personal Finance business line is recovering, with a rebound in production in all distribution channels and an improvement in its cost of risk. Commercial activities were sustained in international retail networks[1], with an increase in fees and an ongoing rebound in individual loan production. The division also performed very well in its asset gathering activities, with very good net asset inflows (+17.2 billion euros overall for the first semester 2021) and an increase in assets under management (+10.8% compared to 30 June 2020). Underlying Insurance activity was strong and Real Estate Services continued to recover, notably in Advisory.

For the first half of the year, revenues came to 7,976 million euros, up by 3.0% at constant scope and exchange rates (-1.3% at historical scope and exchange rates) compared to the first half of 2020. The division achieved strong growth in its asset gathering businesses, driven by a favourable market context and strong growth at BancWest, offset by a decrease at Personal Finance in connection with the health crisis, and a less favourable context at Europe-Mediterranean.

Operating expenses, at 5,065 million euros, were up by 2.1% at constant scope and exchange rates but down by 2.2% at historical scope and exchange rates. The division achieved a positive jaws effect of +0.9 point[2]. Gross operating income thus came to 2,911 million euros, an increase of 0.4% compared to the first half of 2020.

The cost of risk came to 774 million euros, with a significant 730 million euro improvement compared to the first half of 2020.

International Financial Services' pre-tax income thus came to 2,396 million euros, up very sharply, by 50.2% at historical scope and exchange rates and by 52.6% at constant scope and exchange rates compared to the first half of 2020. It included this semester the impact of an exceptional positive item, with a 96 million euro capital gain on the sale of an Asset Management stake in the first quarter 2021.

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[1] Europe-Mediterranean and BancWest

[2] At constant scope and exchange rates

Personal Finance

Personal Finance's business was resilient. Personal Finance achieved a significant recovery in its business drive. End-of-period loans outstanding continued to grow from the low point reached in the third quarter 2020, driven by a marked rebound in production with the easing of public health measures (+18.6%[1] between the first half of 2020 and the first half of 2021), with momentum particularly strong late in the period (+6.9%[1] between June 2021 and June 2019). The level of loans outstanding nonetheless continued to be affected by the lower production of 2020 (-2.5% compared to the first semester 2020) with a shift in trend in the second quarter 2021 (+0.5% compared to the first quarter 2021).

For the first half of the year, Personal Finance's revenues came to 2,651 million euros, down by 4.5% compared to the first half of 2020 (-3.6% at constant scope and exchange rates), due mainly to lower volumes with the health crisis in 2020 and despite the marked upturn in production late in the first half.

Operating expenses rose by 2.4% compared to the first half of 2020 (+3.3% at constant scope and exchange rates) to 1,463 million euros, driven by the recovery in business activity and ongoing investments.

Gross operating income thus decreased by 11.9% compared to the first half of 2020, to 1,188 million euros.

The cost of risk improved by 368 million euros in the first half 2021, to 665 million euros.

Driven by the steep decrease in cost of risk, pre-tax income at Personal Finance thus came to 529 million euros, a very strong increase of 63.6% compared to the first half of 2020 (+70.1% at constant scope and exchange rates).

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[1] At constant exchange rates

Europe-Mediterranean

Europe-Mediterranean's commercial activity was robust amidst challenging environments. Loans outstanding rose by 1.7%[1] compared to the first semester 2020. When compared to the first quarter 2021, loan production continued to improve in all business lines, after bottoming out in August 2020 (+71%). Deposits rose by 7.1%[1] compared to the second quarter 2020, and were up in all countries. At the end of the first semester 2021, the number of digital customers rose by 11.4% compared to the 30 June 2020, to 3.9 million.

For the first half of the year, Europe-Mediterranean's revenues[2] were down by 11.3%[1] compared to the first half of 2020, to 981 million euros, due to the decrease in net interest income, particularly in Turkey and Poland, partly offset by a rebound in fees.

Operating expenses[2] rose by 3.6%[1] compared to the first half of 2020, to 826 million euros. The increase was contained, despite high wage drift, in particular in Turkey.

The cost of risk[2] improved to 97 million euros in the first half of 2021 from 229 million euros in the first half of 2020.

After allocating one third of Private Banking's net income in Turkey and Poland to Wealth Management business, Europe-Mediterranean thus achieved a pre-tax income of 121 million euros, down by 29.4%[1].

BancWest

BancWest's commercial activity remained solid. Loans outstanding nonetheless decreased by 6.3%[1], due in particular to the discontinuation of a business in 2020 and the impact of economic stimulus measures, which were partly offset by the very strong momentum in loan production. Deposits rose by 13.9%[1] with a strong increase in customer deposits[3] (+15.7%[1]). Private Banking assets under management hit a record level of 18 billion dollars as at 30 June 2021, a 17.2%[1] increase compared to 30 June 2020.

For the first half of the year, revenues[4] rose by 6.9%[1] compared to the first half of 2020, to 1,212 million euros, driven by the strong increase in fees, an improved margin, increased deposits, and a good level of loan production.

Operating expenses[4] decreased by 1.3%[1] compared to the first half of 2020, to 813 million euros. BancWest achieved a positive jaws effect of 8.2 points.

Gross operating income[4] thus came to 399 million euros, up 28.4%[1] compared to the first half of 2020.

At 2 million euros, the cost of risk[4] improved drastically from the first half of 2020, when it amounted to 229 million euros, with the impact of provisions on performing loans (stages 1 and 2).

Hence, after allocating one third of Private Banking's net income in the United States to Wealth Management business, BancWest achieved a pre-tax income of 390 million euros in the first half of 2021 (100 million euros in the first half of 2020), a 4.4-fold increase[1].

[1] At constant scope and exchange rates
[2] Including 100% of Private Banking in Turkey and in Poland
[3] Deposits excluding treasury activities
[4] Including 100% of Private Banking in the United States

Insurance and Wealth and Asset Management

Assets under management[1] came to 1,203 billion euros as at 30 June 2021, a 3.2% increase compared to 31 December 2020, due particularly to a favourable performance impact of 40.8 billion euros, driven by market trends and good management performances. They benefited from a favourable exchange rate impact of 7.9 billion euros. The scope impact was negative (-28.6 billion euros) and was due mainly to the first quarter 2021 sale of a BNP Paribas Asset Management stake. Very strong net asset inflows (17.2 billion euros in the first half 2021) were driven by all business lines, with very good net asset inflows in Wealth Management in Europe, and particularly in domestic markets, as well as in Asia and the United States; strong net asset inflows into Asset Management, particularly in medium and long-term vehicles, partly offset by outflows from money-market vehicles, and very good net asset inflows in Insurance, notably in unit-linked and particularly in France, Italy and Luxembourg.

As at 30 June 2021, assets under management[1] were split as follows: 518 billion euros at Asset Management (including 29 billion euros in Real Estate Services), 410 billion euros at Wealth Management, and 274 billion euros at Insurance.

The recovery in commercial activity in Insurance observed in the fourth quarter 2020 continued. The Savings activity was sustained both in France and internationally, with gross asset inflows up sharply (+54.3% compared to the first half of 202) and a very large proportion of unit-linked contracts in net asset inflows. The Protection activity increased in France, with a good performance of personal protection and property & casualty (Cardif IARD). It also improved internationally, particularly in Asia and Latin America.

For the first half of the year, Insurance revenues, at 1,558 million euros, rose by 10.8% compared to the first half of 2020, driven by a very good performance of Savings and the recovery in Protection and from a low base due to the accounting impact related to the evolution of the markets in the first half of 2020. Operating expenses rose by 2.5% compared to the first half of 2020, to 750 million euros, in connection with development of business activity and targeted initiatives. Pre-tax income in Insurance rose by 16.4% compared to the first half of 2020, to 866 million euros, driven also by the increased contribution of associates.

Overall activity was very good on the whole in Wealth and Asset Management. Wealth Management activity was up, with very good net asset inflows (+9 billion euros), particularly in domestic markets with large European and international accounts, and a marked increase in financial fees, with an increase in outstanding and transaction volumes. Asset Management activity was very robust, with strong net asset inflows (+4,2 billion euros), mainly in medium- and long-term vehicles in Europe. Real Estate Services continues to recover, notably in Advisory.

At 1,614 million euros, Wealth and Asset Management's revenues were up sharply, by 13.5% compared to the first half of 2020. They reflected a very good performance by Asset Management, driven by strong net asset inflows and performance impact, the rebound in Real Estate Services from a low base in the first half of 2020, and the impact of the low-interest-rate environment partly offset by higher fees at Wealth Management. Operating expenses decreased slightly, by 0.6% compared to the first half of 2020, to 1,236 million euros. The jaws effect was positive in all business lines (+14.1 points overall). Pre-tax income of Wealth and Asset Management, after including one third of Private Banking results in Domestic Markets, Turkey, Poland and the United States, thus came to 490 million euros. It rose by 139.9% compared to the first half of 2020, driven mainly by the highly significant increase in gross operating income at Asset Management and the capital gain realised on the sale of an Asset Management stake in the first quarter 2021.

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[1] Including distributed assets

CORPORATE AND INSTITUTIONAL BANKING (CIB)

CIB achieved very good results, on the back of the diversification by businesses and demonstrated a very strong activity in all its business lines.

Financing businesses achieved robust activity in equity issuance and, debt volumes compared to the second quarter 2020 are normalising. On the markets, client activity was very strong in equity derivatives and prime services. The level of activity in rates, forex and credit was very good. Lastly, Securities Services achieved an increase in assets and a continued very high level of transaction volumes.

The division is finalising development deals, with the completion of the first wave of client transfers from Deutsche Bank's prime brokerage business and the July 2021 closing of the Exane acquisition.

For the first half of the year, CIB's revenues increased by 4.4% compared to the first half of 2020 (8.6% at constant scope and exchange rates) to 7,384 million euros. Driven by the diversification of its businesses and the development of its platforms, revenues rose in all three businesses: Global Markets (+7.9%[1]), Corporate Banking (+11.3%[1]) and Securities Services (+5.2%[1]).

Corporate Banking revenues were up by 6.6% compared to the first half of 2020, to 2,481 million euros, driven by EMEA[2] and the Americas, by the gains of the Capital Markets platform in EMEA compared to a high basis of comparison in the first half of 2020, and by the recovery in transactional banking (cash management and trade finance activities).

Global Markets revenues rose by 3.9% compared to the first half of 2020, to 3,750 million euros. At 2,296 million euros, FICC[3] revenues were driven by a very strong performance, in particular in primary markets, forex and commodity derivatives. They decreased by 32.6% from the highly exceptional first half of 2020 but rose sharply compared to the first half of 2019 (+25.6%). Equity & Prime Services revenues came to 1,454 million euros in the first half of 2021, a record level, driven by the rebound in derivatives compared to the first half of 2020, which was impacted by the extreme market shocks of the first quarter 2020, as well as by European authorities' restrictions on the payment of dividends[4], followed in the second quarter 2020 by a gradual recovery in activity.

Securities Services' revenues increased by 1.3% compared to the first half of 2020, driven by the impact of higher outstandings, in particular with the onboarding of the large mandates won recently, and the increase in transaction volumes.

CIB's operating expenses were up by 4.3% compared to the first half of 2020, to 4,809 million euros, in connection with the strong growth in activity and the increase in taxes subject to IFRIC 21[5]. The division achieved a positive jaws effect due to cost-savings measures (+2.2 points excluding taxes subject to IFRIC 21).

CIB's gross operating income thus achieved a 4.5% increase to 2,575 million euros.

At 229 million euros, CIB's cost of risk was low. It improved by 454 million euros compared to the first half of 2020, which had booked the effects of the health crisis and particularly the provisions on performing loans (stages 1 and 2).

CIB thus achieved a pre-tax income of 2,388 million euros, an increase of 33.5% compared to the first half of 2020.

[1] At constant scope and exchange rates
[2] EMEA: Europe, Middle East and Africa
[3] Fixed Income, Currencies and Commodities
[4] Reminder: in the first quarter of 2020: -€184m, due to European authorities' restrictions on the payment of 2019 dividends
[5] Taxes subject to IFRIC: €628m, +€107m compared to the first half of 2020

CORPORATE CENTRE

For the first half of the year, Corporate Centre revenues amounted to 477 million euros (48 million euros in the first half of 2020), reflecting particularly Principal Investments' very strong contribution compared to a first half of 2020 impacted by the health crisis. Corporate Centre's operating expenses came to 553 million euros in the first half of 2021. They included the exceptional impact of 82 million euros in restructuring[1] and adaptation[2] costs and 66 million euros in IT reinforcement costs. In the first half of 2020, the reflected the exceptional impact of 86 million euros in donations and staff safety measures connected to the health crisis, 76 million euros in restructuring[1] and adaptation[2] costs and 79 million euros in IT reinforcement costs. The cost of risk came to 119 million euros (46 million euros in the first half of 2020). Other non-operating items came to 589 million euros in the first half of 2021 (483 million euros in the first half of 2020). In the first half of 2021, they included the exceptional impact of a 302 million euro capital gain realised on the sale of buildings and a 300 million euro capital gain on the sale of Allfunds' shares[3]. In the first half of 2020, they reflected the exceptional impact of 464 million euros in capital gains on the sale of buildings. Corporate Centre's pre-tax income thus came to 394 million euros (78 million euros in the first half of 2020)

*

*   *

[1] Restructuring costs related in particular to the discontinuation or restructuring of certain businesses (in particular at CIB)
[2] Related in particular to BancWest and CIB
[3] Disposal of 6.7% stake in Allfunds; BNP Paribas continues to hold a 15.77% stake in Allfunds

FINANCIAL STRUCTURE

The Group has a very solid financial structure.

Its common equity Tier 1 ratio amounted to 12.9%[1] as of 30 June 2021, up by 10 basis points compared to 31 March 2021, due mainly to:

- the placing of the quarter's net income into reserve after taking into account a 50% payout ratio (+20bp);
- the impacts related to the updating of models and regulation (-10bp).

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

The leverage ratio[2] amounted to 4.0% as at 30 June 2021.

The immediately available liquidity reserves came to 488 billion euros and are equivalent to more than one year of room to manoeuvre in terms of wholesale funding.

*

* *

[1] CRD4, including IFRS 9 transitional provisions

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

SECOND QUARTER 2021 RESULTS

30 July 2021

BNP PARIBAS

The bank for a changing world

Disclaimer

The figures included in this presentation are unaudited.

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2Q21: A solid model and a strong performance

Sustained growth in revenues

- Contribution of the diversified & integrated model, very good performance in DMs and continued high level of revenues at CIB after an exceptional 2Q20
- Ongoing strengthening of platforms and franchises

Decrease in costs, positive jaws effect

Strong increase in GOI[1] vs. 2Q20 and 2Q19

Revenues: +0.9% vs. 2Q20 (+4.9% vs. 2Q19)

Costs: -2.3% vs. 2Q20 (-3.5% vs. 2Q19)

GOI[1]: +6.2% vs. 2Q20 (+21.5% vs. 2Q19)

Low cost of risk

- Below the 45-55 bps range[2]
- With overall no release of provisions on performing loans (stages 1&2)

Strong rise in operating income vs. 2Q20 and vs. 2Q19

Cost of risk: 38 bps[2]

Operating income: €3,791m +31.2% vs. 2Q20 (+19.7% vs. 2Q19)

Very good level of results

Strong rise in net income[3] vs. 2Q20 and vs. 2Q19

Net income[3]: €2,911m +26.6% vs. 2Q20 (+17.9% vs. 2Q19)

Solid balance sheet – TRIM finalised

CET1 ratio[4]: 12.9%

An additional ordinary dividend of €1.55 in cash, will be proposed at the General Meeting of 24 Sept. 2021, to be paid out on 30 Sept. 2021[5]

Dividend[5]: €1.55

1. GOI: Gross Operating Income; 2.Cost of risk / customer loans outstanding at the beginning of the period (in bp); 3. Group share; 4. CRD4; including IFRS9 transitional arrangements - See slide 13; 5. Additional ordinary dividend per share on 2020 net income that would raise the pay-out ratio to 50%, in accordance with the Group's ordinary distribution policy and further to the ECB announcements of 23 July 2021 – Subject to the approval of the General Meeting of 24 Sept. 2021; detachment scheduled for 28 Sept. 2021, pay-out for 30 Sept. 2021

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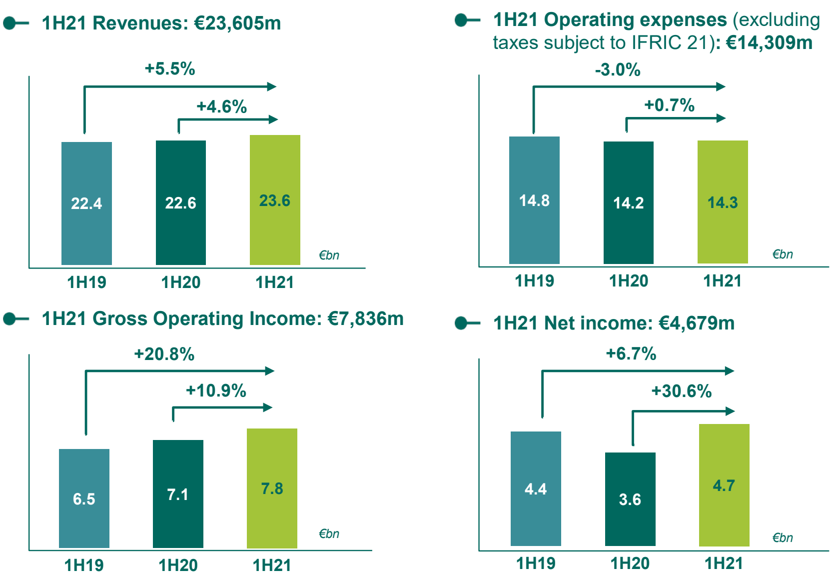
1H21 – Solid growth in results

An established rebound and a proven growth potential



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BNP PARIBAS

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APPENDICES

2Q21 – Main exceptional items

Exceptional items

	2Q21	2Q20	2Q19
Operating expenses			
• Restructuring costs[1] and adaptation costs[2] (*Corporate Centre*)	-€24m	-€30m	-€114m
• IT reinforcement costs (*Corporate Centre*)	-€47m	-€45m	
• Donations and staff safety measures relating to the health crisis (*Corporate Centre*)		-€86m	
• Transformation costs – 2020 plan (*Corporate Centre*)			-€222m
Total exceptional operating expenses	***-€71m***	***-€161m***	***-€336m***
Other non-operating items			
• Capital gain on the sale of Allfunds shares[3] (*Corporate Centre*)	+€300m		
• Capital gain on the sale of a building (*Corporate Centre*)		+€83m	
• Capital gain on the sale of 2.5% of SBI Life and deconsolidation of the residual stake (*Corporate Centre*)[4]			+€612m
• Goodwill impairments (*Corporate Centre*)			-€500m
Total exceptional other non-operating items	***+€300m***	***+€83m***	***+€112m***
Total exceptional items (pre-tax)	**+€229m**	**-€78m**	**-€224m**
Total exceptional items (after tax)[5]	**+€162m**	**-€61m**	**-€151m**

1. Related in particular to the restructuring of certain businesses (in particular at CIB) and the integration of Raiffeisen Bank Polska; 2. Related in particular to BancWest and CIB; 3. Disposal of 6.7% stake in Allfunds; BNP Paribas still holds a 15.77% stake in Allfunds; 4. Residual stake of 5.2% in SBI Life; 5. Group share

2Q21 – Consolidated Group

Solid results, with a rebound to levels above 2019

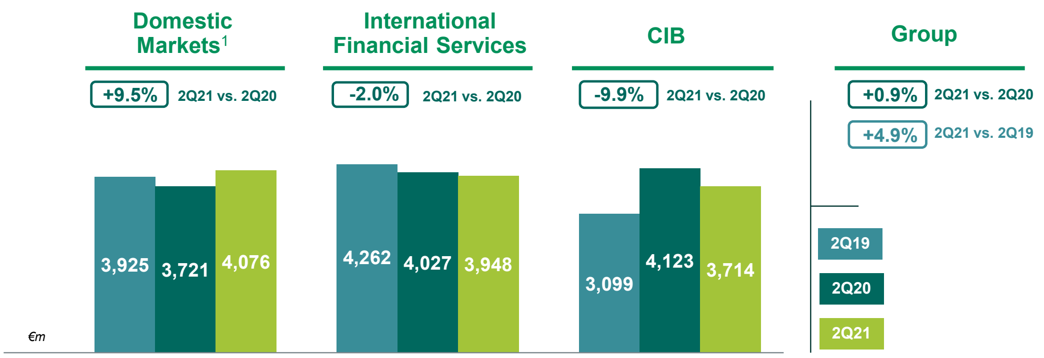
	2Q21	2Q20	2Q21 vs. 2Q20	2Q19	2Q21 vs. 2Q19
Revenues	**€11,776m**	**€11,675m**	**+0.9%**	**€11,224m**	**+4.9%**
Operating expenses	-€7,172m	-€7,338m	-2.3%	-€7,435m	-3.5%
Gross operating income	**€4,604m**	**€4,337m**	**+6.2%**	**€3,789m**	**+21.5%**
Cost of risk	-€813m	-€1,447m	-43.8%	-€621m	+31.0%
Operating income	**€3,791m**	**€2,890m**	**+31.2%**	**€3,168m**	**+19.7%**
Non-operating items	€403m	€236m	x1.7	€209m	X1.9
Pre-tax income	**€4,194m**	**€3,126m**	**+34.2%**	**€3,377m**	**+24.2%**
Net income, Group share	**€2,911m**	**€2,299m**	**+26.6%**	**€2,468m**	**+17.9%**
Net income, Group share excluding exceptional items[1]	**€2,748m**	**€2,360m**	**+16.5%**	**€2,619m**	**+4.9%**

Return on tangible equity (ROTE)[2]: **10.6%**

1. See slide 6; 2. Not revaluated, see detailed calculation on slide 76

2Q21 – Revenues

Strength of the diversified model

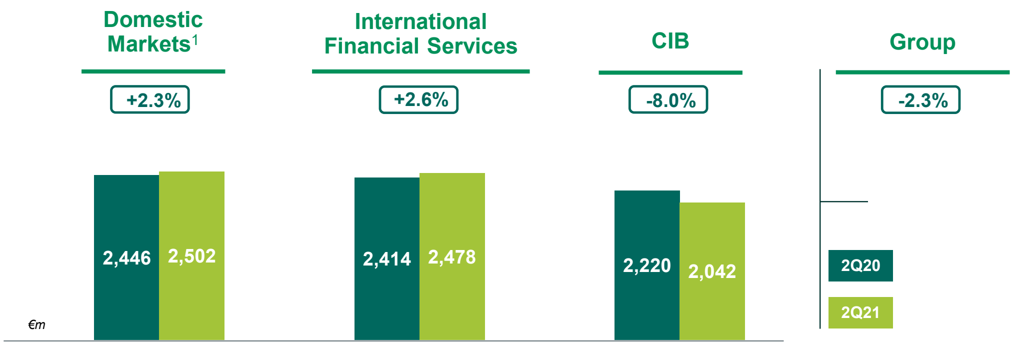


- **Domestic Markets:** sharp increase in revenues, driven by a strong rebound in the networks (in particular in France) and solid growth in specialised businesses (Arval in particular)
- **IFS:** increase in revenues at constant scope and exchange rates (+1.5% vs. 2Q20) – strong increase in asset management business lines – growth at BancWest and Personal Finance – base effect for Insurance and less favourable context for Europe-Mediterranean networks
- **CIB:** very good level of revenues after the exceptional performance of 2Q20 (+19.8% vs. 2Q19), driven by the diversification of business lines and the strength of the platforms

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

2Q21 – Operating expenses

Positive jaws effect

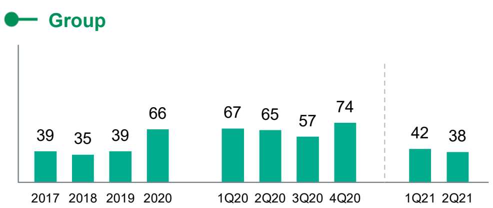


- **Domestic Markets:** increase in operating expenses due to growth in specialised businesses and the rebound of activity in the networks[2], contained by cost-savings measures
- **IFS:** increase in operating expenses with the recovery in business activity (+6.8% at constant scope and exchange rates vs. 2Q20)
- **CIB:** decrease in operating expenses from a high 2Q20 base

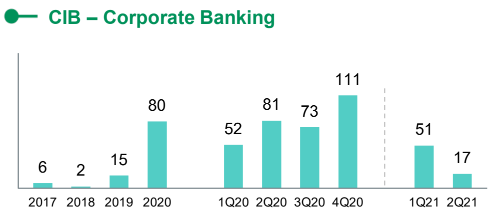
1. Including 100% of Private Banking in France (excluding PEL/CEL impacts), Italy, Belgium and Luxembourg; 2. FRB, BNL bc and BRB

Cost of risk by Business Unit (1/3)

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



- Cost of risk: €813m
  - -€83m vs. 1Q21
  - -€634m vs. 2Q20
- Low cost of risk, provisions on non-performing loans (stage 3) at low levels and overall no release of provisions on performing loans (stages 1 & 2)

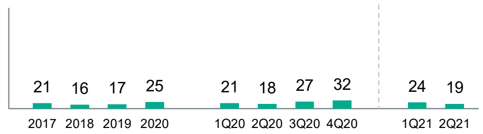


- Cost of risk: €64m
  - -€121m vs. 1Q21
  - -€303m vs. 2Q20
- Further decrease this quarter, overall no release of provisions on performing loans (stages 1 & 2)

Cost of risk by Business Unit (2/3)

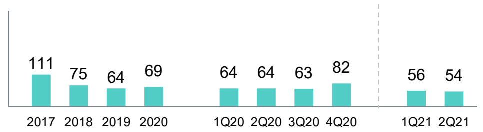
Cost of risk / customer loans outstanding at the beginning of the period (in annualised bp)

FRB



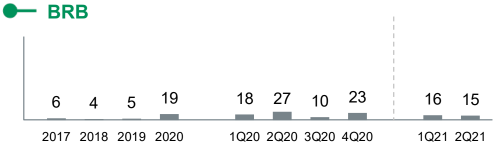
- Cost of risk: €101m
  - -€24m vs. 1Q21
  - +€11m vs. 2Q20
- Cost of risk still at a low level

BNL bc



- Cost of risk: €105m
  - -€5m vs. 1Q21
  - -€17m vs. 2Q20
- Low cost of risk and decrease in provisions on non-performing loans (stage 3)

BRB

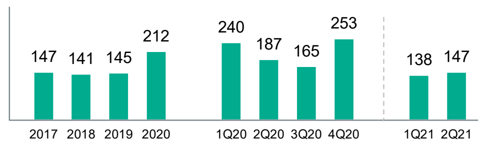


- Cost of risk: €45m
  - -€2m vs. 1Q21
  - -€35m vs. 2Q20
- Low cost of risk and decrease in provisions on non-performing loans (stage 3)

Cost of risk by Business Unit (3/3)

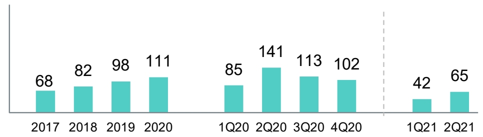
Cost of risk / customer loans outstanding at the beginning of the period (in annualised bp)

Personal Finance



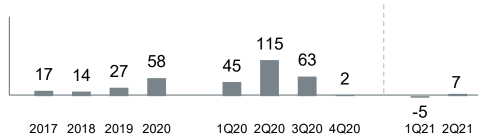
- Cost of risk: €344m
  - +€23m vs. 1Q21
  - -€106m vs. 2Q20
- Cost of risk remaining at a normalised level thanks to efficient management of delinquencies and debt collection
- 2Q20 reminder: €41m (17 bps) in provisioning on performing loans (stages 1 & 2)

Europe-Mediterranean



- Cost of risk: €58m
  - +€20m vs. 1Q21
  - -€85m vs. 2Q20
- Decrease in the cost of risk vs. 2Q20
- 2Q20 reminder: €49m (49 bps) in provisioning on performing loans (stages 1 & 2)

BancWest



- Cost of risk: €8m
  - +€15m vs. 1Q21
  - -€159m vs. 2Q20
- Low cost of risk, decrease vs. 2Q20
- 2Q20 reminder: €128m (88 bps) in provisioning on performing loans (stages 1 & 2)

2Q21 – A very solid financial structure

CET1 ratio: 12.9% as at 30.06.21[1] (+10 bps vs. 31.03.21)

- 2Q21 results, after taking into account a 50% pay-out ratio: +20 bps
- Impacts related to the updating of models and regulation: -10 bps
- Overall limited impact of other effects on the ratio
- NB: finalisation of the TRIM process in 2Q21

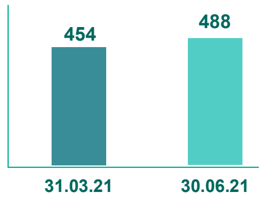
Leverage ratio[2]: 4.0% as at 30.06.21

Immediately available liquidity reserve: €488bn[3]
(€454bn as at 31.03.21): Room to manoeuvre >1 year in terms of wholesale funding

Liquidity Coverage Ratio: 132% as at 30.06.21

CET1 ratio

Liquidity reserve (€bn)[3]

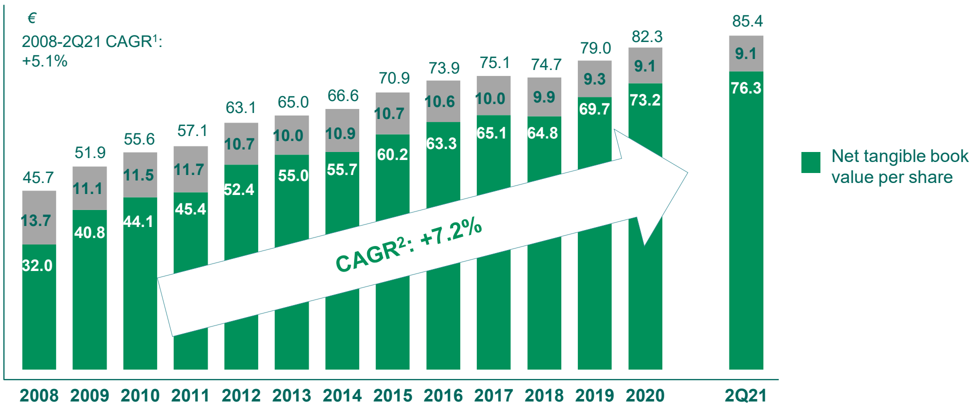


1. CRD4; including IFRS9 transitional arrangements; see slide 78; 2. Calculated in accordance with Regulation (EU) 2019/876, without opting for the temporary exclusion related to deposits with Eurosystem central banks authorized by the ECB decision of 18 June 2021; 3. Liquid market assets or eligible assets in central banks (counterbalancing capacity), taking into account prudential standards, notably US standards, minus intra-day payment system needs

Constant and strong value creation throughout the cycle

Net tangible book value per share[1]: €76.3

+€4.5 (+6.3%) vs. 30.06.20



1. Of net book value per share; 2. Of net tangible book value per share

Distribution policy and capital management

Additional ordinary cash dividend of €1.55 per share[1]

- Proposed to the General Meeting of 24 Sept. 2021 for pay-out on 30 Sept. 2021[1]
- Equivalent to the distribution of 29% of 2020 net income announced with the release of the 2020 full-year results and further to the ECB's announcements of 23 July 2021
- In addition to the €1.11 ordinary cash dividend paid out on 26 May 2021 (21% of 2020 net income)

Total ordinary dividends paid out in cash in 2021: €2.66[1] per share

- i.e. a 50% pay-out ratio of 2020 net income
- In accordance with the Group's ordinary distribution policy, as defined in the 2016-2020 strategic plan (i.e. objective of a 50% pay-out ratio)

The Group's distribution policy

- will be reviewed upon the closing of its 2021 full-year accounts, in particular as part of its 2025 strategic plan
- and will be announced upon the presentation of its full-year results in February 2022

1. Subject to the approval of the General Meeting of 24 Sept. 2021; detachment scheduled for 28 Sept. 2021, pay-out for 30 Sept. 2021

A reinforced Internal Control Set-up

- **An even more solid control and compliance set-up and ongoing efforts in inserting a reinforced compliance culture into daily operations**
  - **Ongoing improvement of the operating model for combating money laundering and terrorism financing:**
    - A standards-based, risk-adjusted approach, with a risk management set-up shared between business lines and Compliance (know-your-client, reviewing unusual transactions, etc.)
    - Reinforced Group-level steering with regular reporting to monitoring and supervisory bodies
  - **Ongoing reinforcement of set-up for complying with international financial sanctions:**
    - Broad dissemination of the procedures and intense centralisation, guaranteeing effective and consistent coverage of the surveillance perimeter
    - Continuous optimisation of cross-border transaction filtering tools and screening of relationship databases
  - **Ongoing improvement of the anti-corruption framework with increased integration into the Group's operational processes**
  - **Intensified on-line training programme:** compulsory programmes on financial security for all employees (Sanctions & Embargos, Combatting Money Laundering & Terrorism Financing), on combating corruption, and on professional ethics for all new employees
  - **Ongoing missions of the General Inspection dedicated to ensuring financial security within entities whose USD flows are centralised at BNP Paribas New York.** The first round of audits was launched in 2015, and the fourth round was completed in April 2021, marking a milestone in ongoing efforts over the past six years to improve the audit mechanisms. Despite public health constraints, the fifth cycle began in May and is expected to be completed in summer 2022.
- **The remediation plan agreed as part of the June 2014 comprehensive settlement with the US authorities is now mostly completed**

An ambitious policy of engagement in Society

2021: a further step in the commitments to climate

Long committed to the fight against global warming, **BNP Paribas was one of the first signatories of the Net-Zero Banking Alliance (NZBA)**, through which it pledged to align GHG[1] emissions tied to its financing activities to the trajectory required to **achieve CO2-neutrality by 2050**

- Intermediate targets set for two sectors:
  - Electric power generation: **exit from the entire thermal coal value chain** (in EU and OECD countries by 2030, and in the rest of the world by 2040), with a **€20bn goal in financing renewable energies by the end of 2023**
  - Oil & gas: **10% reduction** in loan exposure to **oil & gas** exploration and production activities by 2025, following the halting of financing of companies specialising in **non-conventional hydrocarbons** (from €4bn by the end of 2016 to 0 in 2020)
- Launch of the **BNP Paribas Solar Impulse Venture fund** dedicated to supporting innovative start-ups acting in favour of the environment
- **Partnership agreement with the Green Climate Fund** (GCF)
- **Moderate exposure to transition risks**, based on the climate stress test conducted by the Prudential Control and Resolution Authority (*ACPR*)

#1 worldwide[2] in sustainable bond issuance in 1H21

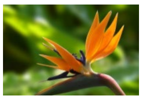
Best bank for sustainable finance[3] in Western Europe

Three proprietary green bond issues in USD, CHF and TWD (equivalent to a total of €1.1bn)

1. GHG: GreenHouse Gases; 2. Source: Dealogic as at 30.06.21, bookrunner; 3. Euromoney awards 2021

An ambitious policy of engagement in Society

A pioneering role in the commitments towards biodiversity



Three years after joining the act4nature initiative, **BNP Paribas has stepped up its commitments contributing to protecting biodiversity**, including its pledge to evaluate corporate clients on biodiversity criteria by 2025

- A commitment to evaluate soja and beef producers and wholesalers based on the following criteria:
  - to have in place a **strategy trending towards zero deforestation by 2025**;
  - to ensure **comprehensive traceability of suppliers by 2025**;
  - and to have **neither beef nor soya produced from transformed land** (Amazonia since 2008, Cerrado since the start of 2020)
- Objectives of **€3bn in financing linked to land-based biodiversity protection** and **€1bn in financing of the environmental transition of ships** by 2025, €250m in equity investments in start-ups mobilised for the **environmental transition,** and €55m dedicated to **protecting and restoring natural capital**
- An instrumental role in launching the **Taskforce on Nature-related Financial Disclosure** (TNFD)
- Exclusion covering two biodiversity-rich regions: **the Arctic National Wildlife Refuge** and **the Amazon Sacred Headwaters**
- Launch of the **BNP Paribas Ecosystem Restoration fund**
- **Partnership with the CDP** to accelerate the development of biodiversity measurement indicators

BNP PARIBAS

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1H21 DETAILED RESULTS

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Domestic Markets – 2Q21

Very good quarterly results with sustained business drive

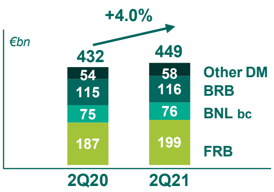
Very good business drive

- **Loans:** +4.0% vs. 2Q20, increase in all business lines, rise in individual and corporate loans
- **Deposits:** +7.5% vs. 2Q20, increase driven by the effects of the public health crisis on customer behaviour
- **Almost 5 million daily connections** to the mobile apps[1] (+25.1% vs. 2Q20)

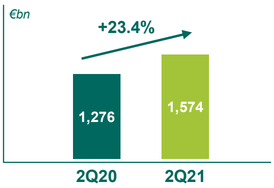
Sustained increase in fees in a supportive environment

- **Strong increase in off-balance sheet savings:** +15.5% vs. 30.06.20, driven by a favourable market trend
- **Private banking:** very good net asset inflows of almost €3.0bn
- **Marked upturn in transactional banking** (cash management & trade finance), in particular with a 14% increase in corporate clients' transaction numbers[2] vs. 1H20

Loans



Gross Operating Income[3]



Revenues[3]: €4,076m (+9.5% vs. 2Q20)

- Very good performance in the networks[4] (+7.9%), in particular in France, driven by the very sharp rise in fees and growth in loan activity, partly offset by the low-interest-rate environment
- Steep increase at Arval (+25.7% vs. 2Q20), Nickel and Leasing Solutions

Operating expenses[3]: €2,502m (+2.3% vs. 2Q20)

- Stability in the networks[4]
- +11.9% in specialised businesses in connection with their growth
- Very positive jaws effect (7.2 pts)

Pre-tax income[5]: €1,228m (+38.9% vs. 2Q20)

- Decrease in the cost of risk

1. Scope: individual, small business and private banking customers of DM networks or digital banks (including Germany and Austria) and Nickel, on average in 2Q; 2. Number of incoming and outgoing payments (all means of payment) in the first half – Scope: Domestic Markets; 3. Including 100% of Private Banking, excluding PEL/CEL effects; 4. BDDF, BDDB, BNL bc et including 100% of Private Banking; 5. Including 2/3 of Private Banking, excluding PEL/CEL effects

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Second quarter 2021 results | 20

DM – French Retail Banking – 2Q21

Strong growth in results

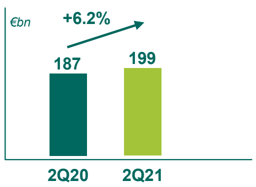
Good business drive

- **Loans:** +6.2% vs. 2Q20, increase in corporate and individual loans, continued momentum in individual loans with sustained production and good level of margin
- **Deposits:** +6.0% vs. 2Q20, increase driven by the impact of the public health crisis on customer behaviour, decrease in corporate deposits

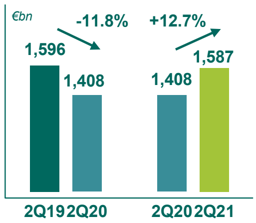
Strong growth in fees, with the rebound in economic activity and the rise in financial savings

- **Strong growth in off-balance sheet savings:** very steep increase in gross life insurance inflows (more than €5bn in 1H21, +72.6% vs. 1H20)
- **Private Banking:** good net inflows of €0.9bn with very robust activity in responsible savings (€13bn in outstandings, x2.2 vs. 30.06.20)
- **Sustained recovery in cash management** with the economic rebound, +27% increase in card payment volumes vs. 2Q20

Loans



Revenues[1]



Revenues[1]: €1,587m (+12.7% vs. 2Q20)

- Net interest income: +8.6%, strong rebound driven by the normalising of the contribution of specialised subsidiaries and the increase in loan activity, despite the impact of low interest rates
- Fees: +17.8%, strong increase in financial fees and strong rebound in banking fees

Operating expenses[1]: €1,075m (+0.1% vs. 2Q20)

- Very positive jaws effect (+12.7 pts)
- Ongoing impact of cost optimisation measures

Pre-tax income[2]: €377m (+78.2% vs. 2Q20)

1. Including 100% of Private Banking, excluding PEL/CEL effects; 2. Including 2/3 of Private Banking, excluding PEL/CEL effects

DM – BNL banca commerciale – 2Q21

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

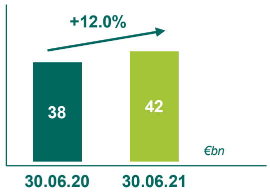
Growth in business activity

- **Loans:** +1.1% vs. 2Q20, +2.9% increase when excluding non-performing loans, growth mainly in loans to individuals
- **Deposits:** +13.1% vs. 2Q20, growth in all customer segments, stability in corporate deposits vs. 1Q21
- **Ongoing increase in digital tools:** almost 14 million[1] monthly connections to the mobile apps (+8.7% vs. 2Q20)

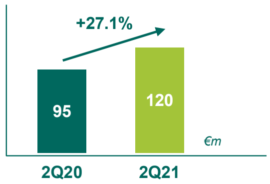
Strong momentum in fee growth

- **Growth in off-balance sheet savings:** +12.0% vs. 30.06.20, strong increase in mutual fund outstandings (+19.0% vs. 30.06.20), increase in life insurance outstandings (+7.5% vs. 30.06.20)
- **Private Banking:** very good net asset inflows >€0.9bn

Off-balance sheet savings (Life insurance and mutual funds)



Pre-tax income[3]



Revenues[2]: €669m (+3.1% vs. 2Q20)

- Net interest income: -2.0%, due to the impact of the low-interest-rate environment partly offset by higher volumes
- Fees: +11.0%, mainly driven by the strong increase in financial fees with the growth in transactions and off-balance sheet savings

Operating expenses[2]: €435m (+3.0% vs. 2Q20)

- Increase driven mainly by the recovery in economic activity
- Ongoing effect of cost savings and adaptation measures ("*Quota 100*" retirement plan)
- Positive jaws effect

Pre-tax income[3]: €120m (+27.1% vs. 2Q20)

- Impact of the decrease in the cost of risk vs. 2Q20

1. Scope: individual, small business and private banking customers (BNL b.c. and Hello bank!) on average in 2Q; 2. Including 100% of Italian Private Banking; 3. Including 2/3 of Italian Private Banking

DM – Belgian Retail Banking – 2Q21

Strong rise in results and positive jaws effect

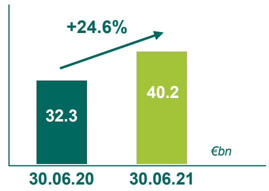
Increase in business activity

- **Loans:** +0.6% vs. 2Q20, growth driven by the increase in loans to individuals
- **Deposits:** +6.2% vs. 2Q20, increase in individual customer deposits, decrease in corporate deposits
- **Stepped-up use of digital tools**: >55 million[1] monthly connections to the mobile apps (+42.0% vs. 2Q20)

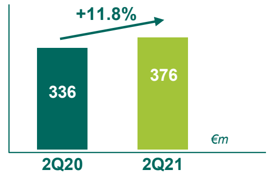
Very strong upward momentum in fees

- **Sustained rise in off-balance sheet savings:** +14.7% vs. 30.06.20, supported in particular by the favourable trend in mutual fund outstandings
- Good net inflows ~€0.8bn in **Private Banking**
- **Progression of payments** with, in particular, a rebound in card payment volumes: +17% vs. 2Q20

Mutual fund outstandings



GOI[2]



Revenues[2]: €864m (+3.5% vs. 2Q20)

- Net interest income: -1.8%, impact of low interest rates partly offset by the contribution of specialised subsidiaries and growth in loan activity
- Fees: +16.9%, solid growth in financial fees and rebound in banking fees

Operating expenses[2]: €488m (-2.1% vs. 2Q20)

- Impact of cost-reduction measures and ongoing optimisation of the branch network
- Very positive jaws effect (+5.6 pts)

Pre-tax income[3]: €317m (+30.2% vs. 2Q20)

- Decrease in cost of risk

1. Scope: individual, small business and private banking customers (BNP Paribas Fortis and Hello Bank!) on average in 2Q; 2. Including 100% of Belgian Private Banking; 3. Including 2/3 of Belgian Private Banking

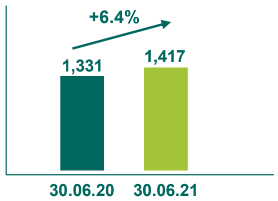
DM – Other Activities – 2Q21

Strong growth in revenues and results

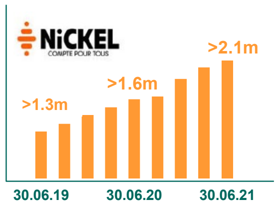
Very good development of activity in all businesses

- **Arval:** a very good performance driven by the expansion in the financed fleet (+6.4%[1] vs. 2Q20) and the ongoing increase in used car prices in all countries
- **Leasing Solutions:** +4.7%[2] increase in outstandings vs. 2Q20, with a level of production on the year to date higher than its 2019 level, particularly in financing applications for logistics equipment
- **Personal Investors:** ongoing increase in assets under management (+40.4% vs. 30.06.20), driven by strong market performances and the normalising of market order numbers at a high level (x2 vs. 2Q19)
- **Nickel:** more than 2.1 million accounts opened[3] (+28.1% vs. 30.06.20) and >6,700 points of sale; further expansion in Spain with 545 points of sale as at 30.06.21 vs. 72 at 31.12.20
- **Luxembourg Retail Banking (LRB):** good increase in loans, mortgage loans in particular (with improved margins) and a very steep increase in fees

Arval financed fleet[1]



Nickel: number of accounts opened (in millions)[3]



Revenues[4]: €956m (+15.3% vs. 2Q20)

- Strong growth in revenues, driven in particular by the very steep rise at Arval, Leasing Solutions and Nickel; stability of Personal Investors revenues at a high level

Operating expenses[4]: €505m (+11.9% vs. 2Q20)

- Increase driven by the expansion in activity
- Very positive jaws effect (+3.4 pts)

Pre-tax income[5]: €414m (+23.6% vs. 2Q20)

1. Average fleet in thousands of vehicles; 2. At constant scope and exchange rates; 3. Since inception in France; 4. Including 100% of Private Banking in Luxembourg; 5. Including 2/3 of Private Banking in Luxembourg

International Financial Services – 2Q21
Good level of results

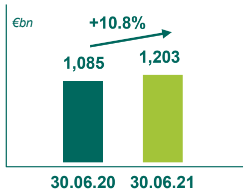
Strong business drive

- **Business recovery in Personal Finance:** rebound in production in all distribution channels and improvement in the cost of risk
- **Sustained business drive in international retail networks**[1] with an increase in fees and an ongoing rebound in production of loans, particularly to individual customers

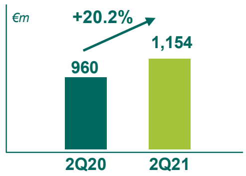
Very good performance by asset gathering activities

- **Sustained net asset inflows** (+€12.1bn) and increase in assets under management[3] (+10.8% vs. 30.06.20)
- **Good underlying business** in Insurance and **ongoing business recovery** in Real Estate Services

Assets under management[3]



Pre-tax income



Revenues: €3,948m (-2.0% vs. 2Q20)

- +1.5% at constant scope and exchange rates (unfavourable forex impact)
- Steep rise in asset gathering businesses, but unfavourable basis of comparison in Insurance
- Increases at BancWest[2] and Personal Finance, less favourable context for Europe-Mediterranean networks

Operating expenses: €2,478m (+2.6% vs. 2Q20)

- +6.8% at constant scope and exchange rates
- Driven by the rebound in activity

Pre-tax income: €1,154m (+20.2% vs. 2Q20)

- +21.0% at constant scope and exchange rates
- Strong decrease in cost of risk

1. Europe-Mediterranean and BancWest; 2. At constant scope and exchange rates; 3. Including distributed assets

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IFS – Personal Finance – 2Q21
Increase in results, driven by business recovery and a normalised cost of risk

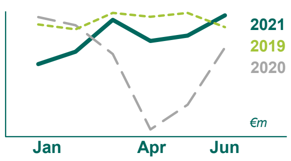
Significant recovery in business drive

- **Loans:** -0.5% vs. 2Q20 with the impact of lower production in 2020, shift in trend in 2Q21 (+0.5% vs. 1Q21)
- **Rebound in production** with the easing of public health measures (+18.6%[1] in 1H21 vs. 1H20)
- **Recovery in all distribution channels** with good momentum in particular late in the first half: production higher in June 2021 than in June 2019 (+6.9%[1])

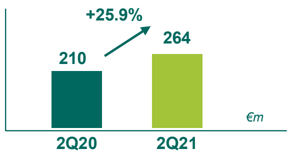
Strong improvement in the cost of risk

- **Cost of risk normalised at a level comparable to 2019** (147 bps in 2Q21 vs. 145 bps on average in 2019)
- **Efficient management of delinquencies and high performance in debt collection**

Monthly loan production



Pre-tax income



Revenues: €1,319m (+1.3% vs. 2Q20)

- Increase driven by higher volumes and the recovery in production

Operating expenses: €700m (+9.2% vs. 2Q20)

- In particular in connection with the support for the business recovery and ongoing investments
- Reminder: -8.6% in 2Q20 vs. 2Q19

Pre-tax income: €264m (+25.9% vs. 2Q20)

- Impact of the marked decrease in cost of risk

1. At constant exchange rates

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IFS – Europe-Mediterranean – 2Q21

Continued business momentum despite challenging environments

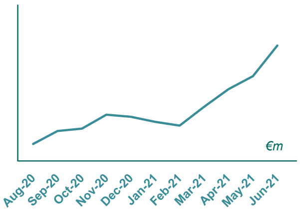
Strong business activity

- **Loans:** +2.0%[1] vs. 2Q20, increase in loan volumes, particularly in Poland and Turkey
- **Ongoing rebound in loan production in all countries** after bottoming out in August 2020 (+71%)
- **Deposits:** +7.3%[1] vs. 2Q20, up in all countries

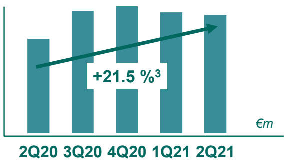
Development of the product offering

- **Upward trend in fees** continued into 2Q21 (+21.5%[3] vs. 2Q20) after a low point in 2Q20, due to the public health crisis and the impact of fee caps in some countries
- Ongoing digitalisation: **3.9 million active digital customers** (+14% vs. 2Q20)

Monthly loan production[2]



Fees trend



Revenues[4]: €464m (-13.7%[1] vs. 2Q20)	**Operating expenses[4]: €394m (+6.8%[1] vs. 2Q20)**
• Decrease in net interest income, particularly in Turkey and Poland, offset partly by the increase in fees	• Increase due to high wage drift, particularly in Turkey, and several targeted initiatives

Pre-tax income[5]: €80m (-34.2%[1] vs. 2Q20)

1. At constant scope and exchange rates; 2. At constant exchange rates, including loans to individuals and corporates in Turkey, Poland, Ukraine and Morocco; 3. At constant exchange rates; 4. Including 100% of Private Banking in Turkey and Poland; 5. Including 2/3 of Private Banking in Turkey and Poland

IFS – BancWest – 2Q21

Sustained business drive, decrease in the cost of risk & strong increase in income

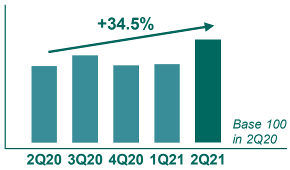
Good business drive in lending businesses

- **Strong increase in loan production** to individuals and SMEs (+34.5% vs. 2Q20) and in particular for collateralised equipment loans (+28.2% vs. 2Q20)
- **Loans:** -9.0%[1] vs. 2Q20, decrease due in particular to the discontinuation of a business in 2020 and the effect of economic stimulus measures, partially offset by very good momentum in loan production

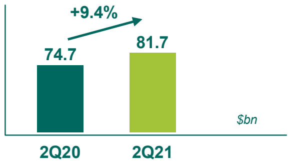
Sustained development in deposits and in financial savings

- **Deposits:** +9.4%[1] vs. 2Q20, strong increase in customer deposits[2] (+10.9%[1])
- **Private Banking:** record level achieved in assets under management ($18bn as at 30.06.21, up +17.2%[1] vs. 30.06.20)

Quarterly loan production to individuals and SMEs



Deposits[1]



Revenues[3]: €587m (+2.1%[1] vs. 2Q20)	**Operating expenses[3]: €406m (+2.4%[1] vs. 2Q20)**	**Pre-tax income[4]: €171m (x9[1] vs. 2Q20)**
• Increase in net interest revenues, due in particular to the improvement in margin, the increase in deposits and loan production • Increase in banking fees	• In connection with the support provided to the rebound in commercial activity	• Decrease in cost of risk

1. At constant scope and exchange rates (figures at historical scope and exchange rates in the appendices); 2. Deposits excluding treasury activities; 3. Including 100% of Private Banking in the United States; 4. Including 2/3 of Private Banking in the United States

IFS – Insurance and WAM[1] – Asset inflows and AuM – 1H21

Very good net asset inflows and favourable performance effect

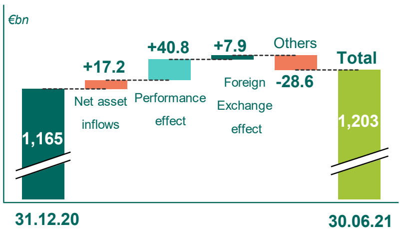
Assets under management: €1,203bn as at 30.06.21

- +3.2% vs. 31.12.20 (+10.8% vs. 30.06.20)
- Favourable performance effect on the back of positive market trend and good management performances: +€40.8bn
- Favourable foreign exchange effect: +€7.9bn
- Others: -€28.6bn, negative scope effect due mainly to the 1Q21 sale of a BNP Paribas Asset Management stake

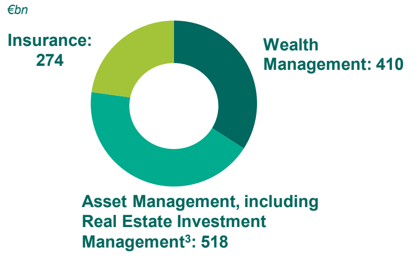
Net asset inflows: +€17.2bn in 1H21

- **Wealth Management:** very good net asset inflows in Europe and in particular in domestic markets, as well as in Asia and the United States
- **Asset Management:** very strong net asset inflows into medium/long-term vehicles (in particular into thematic funds), offset by outflows from money-market vehicles
- **Insurance:** very good net asset inflows, notably in unit-linked policies, in particular in France, Italy and Luxembourg

Change in assets under management[2]



Assets under management[2] as at 30.06.21



1. WAM: Wealth & Asset Management, i.e. Asset Management, Wealth Management and Real Estate; 2. Including distributed assets; 3. Assets under management of Real Estate Investment Management: €29bn

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IFS – Insurance – 2Q21

Very good business momentum

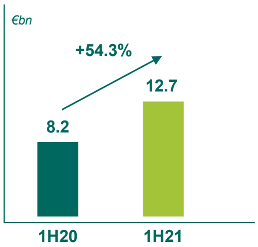
Continuation of the pick-up in activity

- **Sustained performance in Savings** both in France and internationally with gross inflows up sharply (+54.3% vs. 1H20) and the vast majority of net inflows in unit-linked contracts (>55% in 1H21)
- **Increase in Protection**: growth in France, with a good performance of personal protection and property & casualty (Cardif IARD); internationally, gains in Asia and Latin America

Development of partnerships

- Roll-out of a life insurance offering, as well as an individual retirement savings plan (*PERin*) in the Matmut network
- Launch of an environmentally responsible insurance offering for refurbished mobile phones, tablets and laptops with *Back Market* and *i-surance*

Gross asset inflows in Savings



Revenues: €767m (-7.4% vs. 2Q20)	Operating expenses: €367m (+8.4% vs. 2Q20)	Pre-tax income: €424m (-22.6% vs. 2Q20)
• Robust increase in Savings, positive momentum in Protection • A high basis of comparison in 2Q20 (Reminder: one-off accounting impact related to the steep rise in the markets in 2Q20) and impact of the public health crisis on claims	• Driven up by the rebound in business activity and targeted initiatives	• Impact of claims on associates

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IFS – Wealth and Asset Management[1] – 2Q21

Very good activity and very strong increase in results

Wealth Management

- **Very good net asset inflows** in domestic markets and with large European and international accounts
- **Marked increase in financial fees** with an increase in outstandings and transaction volumes

Asset Management

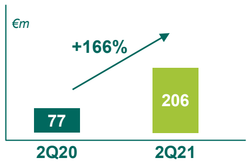
- **Ongoing strong net asset inflows** (+€5.3bn), mainly into MLT funds in Europe and **continued strong business performance**
- Asset inflows driven by the development of the **responsible and sustainable investment range** and the launch of several sustainable and innovative products

Real Estate Services

- **Ongoing recovery** in business activity, particularly in Advisory and notably in France

Acknowledged leadership

Strong increase in GOI



Revenues: €830m (+22.4% vs. 2Q20)	Operating expenses: €624m (+3.8% vs. 2Q20)	Pre-tax income: €215m (x2.1 vs. 2Q20)
• Increase in all business lines • Wealth Management: higher fees and loan revenues • Asset Management: impact of strong net inflows and performance effect • Real estate: rebound from a low base	• Driven in particular by growth in activity at Real Estate Services and Asset Management • Very positive jaws effect in all businesses (+18.6 pts overall)	• Strong increase in all business lines • Very significant increase in GOI at Asset Management (x3.3 vs. 2Q20)

1. Asset Management, Wealth Management and Real Estate Services

Corporate & Institutional Banking – 2Q21

Very strong results sustained by the diversification of businesses

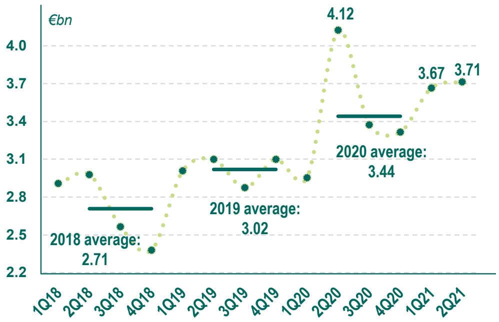
Very strong drive in all businesses

- **Financing**: robust equity issuance, normalising of debt volumes compared to 2Q20
- **Markets**: very sustained client activity in equity derivatives and prime services; good activity level in rates, forex and credit
- **Securities Services**: increase in assets and still very high transaction volumes

Finalisation of development deals

- First wave of prime brokerage client transfers from Deutsche Bank completed, and Exane acquisition closed in July 2021
- Selective expansion in several countries (establishment in Mexico and new targeted initiatives in Europe, Asia, etc.)

CIB revenues (1Q18-2Q21)



Revenues: €3,714m (-9.9% vs. a high 2Q20 base and +19.8% vs. 2Q19)	Operating expenses: €2,042m (-8.0% vs. 2Q20)	Pre-tax income: €1,637m (+3.2% vs. 2Q20)
• -7.5% at constant scope and exchange rates; high performance level on the back of a diversified set-up • Growth in Corporate Banking (+2.5%[1]) • Good performance of Global Markets (-15.9%[1] vs. an exceptional 2Q20, +€495m vs. 2Q19) • Strong increase in Securities Services (+5.3%[1])	• Decrease in costs due to activity levels and the impact of cost-savings measures	• +54.8% vs. 2Q19 • Continued decrease in the cost of risk vs. 2Q20

1. At constant scope and exchange rates

CIB: Corporate Banking – 2Q21

Continued very good business drive

Activity level remains high

- **Financing raised for clients** on the syndicated loan, bond and equity markets: -37% vs. the exceptional level of 2Q20, +24%[1] vs. 2Q19
- **Loans** (€154bn, -8.2% vs. 2Q20[2]): impact of the normalisation after the 1H20 spike in utilisation; growth resumed in 2021 (+4.1% vs. 4Q20)
- **Deposits** (€185bn, +7.1% vs. 2Q20[2]): increase driven by the public health crisis, down from the 3Q20 peak (-3.6%)

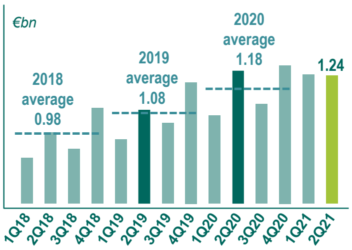
Leadership affirmed in Europe & strengthened at the global level

- Strong growth in ECM volumes in EMEA[3] (+141% vs. 1H20), with strengthened market share (4.3%; +0.8 pt vs. 1H20)
- #1 in EMEA syndicated loans and European investment grade corporate bond issues[3]
- Good development in the Americas, particularly in transaction banking and cross-border transactions

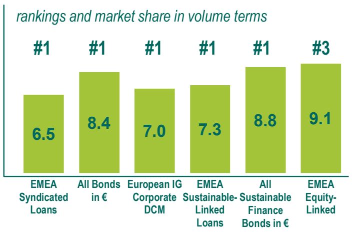
Revenues: €1,238m
(-1.6% vs. 2Q20 et +13.2% vs. 2Q19)

- +2.5% at constant scope and exchange rates
- Growth driven by the Americas and EMEA
- Very high performance of the Capital Markets platform maintained vs. 2Q20
- Good growth in trade finance and cash management activity

Corporate Banking growth (Revenues 1Q18-2Q21)



European syndicated loan and bond rankings, 1H21[3]



1. Source: Dealogic as at 30.06.21, bookrunner, apportioned amount; 2. Quarterly average outstandings, change at constant scope and exchange rates; 3. Source Dealogic as at 30.06.21, bookrunner ranking in volume; EMEA: Europe, Middle East and Africa

CIB: Global Markets – 2Q21

Solid revenues level compared to an exceptional 2Q20

Continued expansion of platforms

- **Prime brokerage**: first wave of client transfers finalised in July under the agreement with Deutsche Bank
- **Stake in Exane** raised to 100% as part of a plan to widen the range of cash equity and derivatives services offered to clients[1]
- **Sustainable finance**: leadership positions in bond issuance in Europe and worldwide

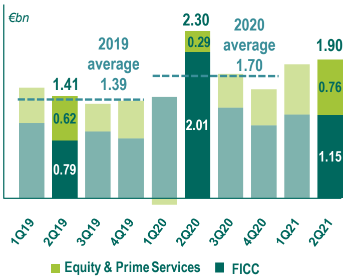
Sustained client activity

- **Primary market activity**: very good level of global bond volumes led (+15% vs. the 2019-2020 quarterly average)[2]
- **Rates, currencies & commodities**: normalising of client activity at good levels, in particularly in commodity derivatives
- **Equity markets**: very strong growth in derivatives activity, in particular for structured products and a good level in prime brokerage

Revenues: €1,904m
(-17.4% vs. a high 2Q20 basis of comparison and +35.2% vs. 2Q19)

- -15.9% at constant scope and exchange rates
- FICC (-43.0% vs. 2Q20, +44.8% vs. 2Q19): good performance in all business lines, with strong increase vs. 2Q19 after an exceptional environment in 2Q20
- Equity & Prime Services (x2.6 vs. 2Q20, +23.1% vs. 2Q19): record activity and rebound in derivatives vs. a 2Q20 basis of comparison that was impacted by the crisis environment

Global Markets revenues 1Q19-2Q21



Leadership in sustainable finance

- #1 All Global Sustainable Bonds[3,4]
- #3 All Global Green bonds[4]
- "Most Impressive Bank" *Green & SRI Capital Markets*

GlobalCapital Bond Awards 2021

1. Closing on 13 July, after obtaining the necessary authorisations; 2. Source: Dealogic as at 30.06.21, bookrunner, apportioned amount; 3. Source: Bloomberg as at 30.06.21; 4. Source: Dealogic as at 30.06.21, bookrunner, apportioned amount

CIB: Securities Services – 2Q21

Sustained and steady growth of the platform

Continued very strong business drive

- Closing of the acquisition of the depositary bank business of Banco Sabadell (€21bn in assets), announced in 2020
- Growth in all regions, in particular with the recent major mandates in the Eurozone and in the United States, in both custody assets and fund administration

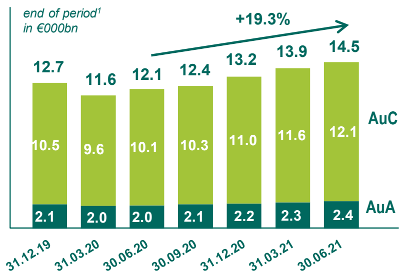
A high level of activity

- Increase in average assets (€14.2tn; +20.3% vs. 2Q20), driven by market gains and onboarding of new clients
- Transactions remaining at a high level: +6.1% vs. 2Q20

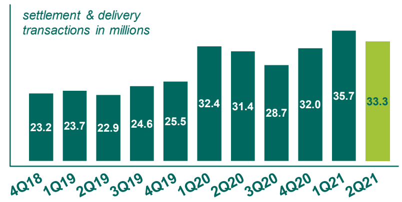
Revenues: €571m
(+1.9% vs. 2Q20)

- +5.3% at constant scope and exchange rates[2]
- Driven by higher assets and the good fees on transactions

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



Transaction volumes



1. Proforma 2019-2020 assets under administration (AuA excluding assets that are merely deposited); 2. Reminder: fund distribution activity transferred to Allfunds

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BNP PARIBAS

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1H21 DETAILED RESULTS

APPENDICES

Conclusion

Strong results driven by the strength of the diversified and integrated model

2Q21 net income[1]: €2,911m (+26.6% vs. 2Q20)

An established rebound and a proven growth potential

2021 trends:

- **Revenue growth stronger than expected**
- **Stability of costs[2] and positive jaws effects**
- **Cost of risk at a low level, below the 45-55bp range**

Distribution of a €1.55 cash dividend[3]

Distribution policy to be reviewed upon the closing of the 2021 accounts and the 2025 strategic plan

1. Group share; 2. Excluding the impact of the change in scope and taxes subjected to IFRIC 21 3. Additional ordinary dividend per share on 2020 net income that would raise the pay-out ratio to 50%, in accordance with the Group's ordinary distribution policy and further to the ECB announcements of 23 July 2021 – Subject to the approval of the General Meeting of 24 Sept. 2021; detachment scheduled for 28 Sept. 2021, pay-out for 30 Sept. 2021

BNP PARIBAS

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APPENDICES

1H21 – Main exceptional items

Exceptional Items

	1H21	1H20	1H19
Operating expenses			
• Restructuring costs[1] and adaptation costs[2] (*Corporate Centre*)	-€82m	-€76m	-€151m
• IT reinforcement costs (*Corporate Centre*)	-€66m	-€79m	
• Donations and staff safety measures relating to the health crisis (*Corporate Centre*)		-€86m	
• Transformation costs – 2020 plan (*Corporate Centre*)			-€390m
Total exceptional operating expenses	***-€148m***	***-€240m***	***-€542m***
Other non-operating items			
• Capital gain on the sale of buildings (*Corporate Centre*)	+€302m	+€464m	
• Capital gain on the sale of a BNP Paribas Asset Management stake in a JV (*Wealth and Asset Management*)	+€96m		
• Capital gain on the sale of Allfunds shares[3] (*Corporate Centre*)	+€300m		
• Capital gain on the sale of 16.8% of SBI Life and the deconsolidation of the residual stake (*Corporate Centre*)[4]			+€1,450m
• Goodwill impairments (*Corporate Centre*)			-€818m
Total exceptional other non-operating items	***+€698m***	***+€464m***	***+€632m***
Total exceptional items (pre-tax)	**+€550m**	**+€224m**	**+€90m**
Total exceptional items (after tax)[5]	**+€399m**	**+€146m**	**+€178m**
Booking in 1Q of almost the entire amount of taxes and contributions for the year, based on the application of IFRIC 21 "Taxes"[6]	**-€1,460m**	**-€1,284m**	**-€1,128m**

1. Related in particular to the restructuring of certain businesses (in particular at CIB) and the integration of Raiffeisen Bank Polska; 2. Related in particular to BancWest and CIB; 3. Disposal of 6.7% stake in Allfunds; BNP Paribas still holds a 15.77% stake in Allfunds; 4. Residual stake of 5.2% in SBI Life; 5. Group share; 6. Including the contribution to the Single Resolution Fund

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1H21 – Consolidated Group

Solid results with an established rebound and a proven growth potential

	1H21	1H20	1H21 vs. 1H20	1H19	1H21 vs. 1H19
Revenues	**€23,605m**	**€22,563m**	**+4.6%**	**€22,368m**	**+5.5%**
Operating expenses	-€15,769m	-€15,495m	+1.8%	-€15,884m	-0.7%
Gross operating income	**€7,836m**	**€7,068m**	**+10.9%**	**€6,484m**	**+20.8%**
Cost of risk	-€1,709m	-€2,873m	-40.5%	-€1,390m	+22.9%
Operating income	**€6,127m**	**€4,195m**	**+46.0%**	**€5,094m**	**+20.3%**
Non-operating items	€890m	€726m	+22.6%	€966m	-7.9%
Pre-tax income	**€7,017m**	**€4,921m**	**+42.6%**	**€6,060m**	**+15.8%**
Net income, Group share	**€4,679m**	**€3,581m**	**+30.6%**	**€4,386m**	**+6.7%**
Net income, Group share excl. exceptionals excluding taxes subject to IFRIC 21[1]	**€5,545m**	**€4,525m**	**+22.5%**	**€5,153m**	**+7.6%**

Return on tangible equity (ROTE)[2]: 10.6%

1. See slide 39; 2. Not revaluated, see detailed calculation on slide 76

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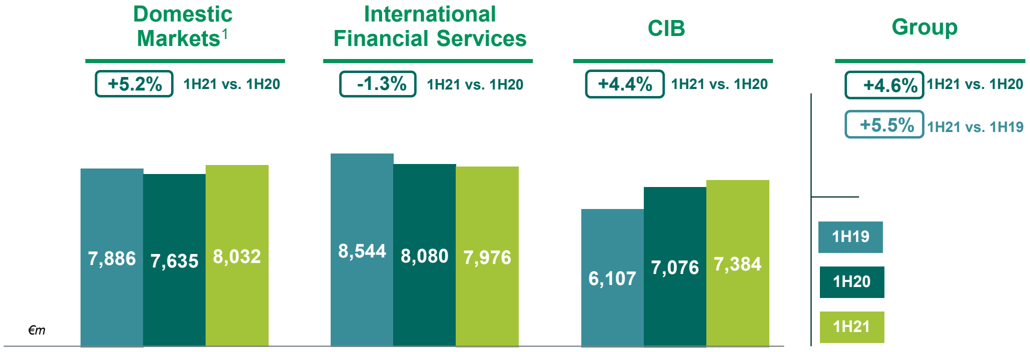
1H21 – Revenues

Strength of the diversified model

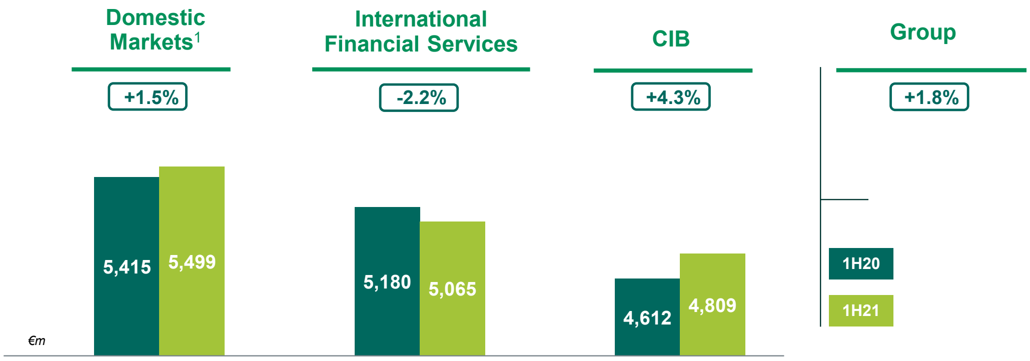


- **Domestic Markets:** strong revenue growth driven by the rebound in the networks[2] (in particular in France) and a solid performance in specialised businesses (notably Arval)
- **IFS:** increase in revenues at constant scope and exchange rates (+3.0%) - strong increase in asset gathering businesses - good increase at BancWest - context less favourable for the other businesses
- **CIB:** strong growth after the exceptional 2Q20 performance (+20.9% vs. 1H19), with improvement in all three businesses (Corporate Banking, Global Markets and Securities Services)

1. Including 100% of Private Banking in France (excluding PEL/CEL impacts), in Italy, in Belgium and Luxembourg; 2. FRB, BNL bc and BRB

1H21 – Operating expenses

Positive jaws effect



- **Domestic Markets:** increase due to growth in the specialised businesses and the rebound in activity in the networks[2], contained by adaptation measures - positive jaws effect
- **IFS:** increase in operating expenses at constant scope and exchange rates (+2.1% vs. 1H20) - positive jaws effect
- **CIB:** increase in operating expenses due to the growth in activity and impact of taxes subject to IFRIC 21 - positive jaws effect

1. Including 100% of Private Banking in France (excluding PEL/CEL impacts), Italy, Belgium and Luxembourg; 2. FRB, BNL bc and BRB

1H21 & 2Q21 – BNP Paribas Group

€m	2Q21	2Q20	2Q21 / 2Q20	1Q21	2Q21 / 1Q21	1H21	1H20	1H21 / 1H20
Group								
Revenues	**11,776**	**11,675**	**+0.9%**	**11,829**	**-0.4%**	**23,605**	**22,563**	**+4.6%**
Operating Expenses and Dep.	-7,172	-7,338	-2.3%	-8,597	-16.6%	-15,769	-15,495	+1.8%
Gross Operating Income	**4,604**	**4,337**	**+6.2%**	**3,232**	**+42.5%**	**7,836**	**7,068**	**+10.9%**
Cost of Risk	-813	-1,447	-43.8%	-896	-9.2%	-1,709	-2,873	-40.5%
Operating Income	**3,791**	**2,890**	**+31.2%**	**2,336**	**+62.3%**	**6,127**	**4,195**	**+46.0%**
Share of Earnings of Equity-Method Entities	101	130	-22.2%	124	-18.4%	225	225	-0.0%
Other Non Operating Items	302	106	n.s.	363	-16.9%	665	501	+32.7%
Non Operating Items	**403**	**236**	**+70.7%**	**487**	**-17.3%**	**890**	**726**	**+22.6%**
Pre-Tax Income	**4,194**	**3,126**	**+34.2%**	**2,823**	**+48.6%**	**7,017**	**4,921**	**+42.6%**
Corporate Income Tax	-1,193	-746	+59.9%	-969	+23.1%	-2,162	-1,157	+86.9%
Net Income Attributable to Minority Interests	-90	-81	+11.1%	-86	+4.6%	-176	-183	-3.8%
Net Income Attributable to Equity Holders	**2,911**	**2,299**	**+26.6%**	**1,768**	**+64.7%**	**4,679**	**3,581**	**+30.6%**
Cost/income	**60.9%**	**62.9%**	**-2.0 pt**	**72.7%**	**-11.8 pt**	**66.8%**	**68.7%**	**-1.9 pt**

- Corporate income tax: an average rate of 29.1% in 2Q21 and 31.8% in 1H21 (due to the impact of the first-quarter booking of taxes and contributions for the year based on the application of IFRIC 21 "Taxes", of which a large portion is not deductible)
- Operating Divisions:

(2Q21 vs. 2Q20)	At historical scope & exchange rates	At constant scope & exchange rates
Revenues	**-1.2%**	**+0.9%**
Operating expenses	-0.8%	+1.1%
Gross Operating Income	**-1.7%**	**+0.7%**
Cost of Risk	-47.0%	-46.4%
Operating Income	**+17.6%**	**+21.0%**
Pre-Tax income	**+17.2%**	**+20.5%**

(1H21 vs. 1H20)	At historical scope & exchange rates	At constant scope & exchange rates
Revenues	**+2.7%**	**+5.6%**
Operating expenses	+1.1%	+3.3%
Gross Operating Income	**+6.0%**	**+10.3%**
Cost of Risk	-43.8%	-42.6%
Operating Income	**+36.4%**	**+43.6%**
Pre-Tax income	**+36.7%**	**+42.6%**

1H21 & 2Q21 – Retail Banking and Services

€m	2Q21	2Q20	2Q21 / 2Q20	1Q21	2Q21 / 1Q21	1H21	1H20	1H21 / 1H20
Revenues	**7,881**	**7,615**	**+3.5%**	**7,843**	**+0.5%**	**15,724**	**15,438**	**+1.9%**
Operating Expenses and Dep.	-4,909	-4,790	+2.5%	-5,499	-10.7%	-10,408	-10,440	-0.3%
Gross Operating Income	**2,972**	**2,825**	**+5.2%**	**2,344**	**+26.8%**	**5,316**	**4,997**	**+6.4%**
Cost of Risk	-693	-1,095	-36.7%	-669	+3.6%	-1,361	-2,145	-36.5%
Operating Income	**2,280**	**1,730**	**+31.8%**	**1,675**	**+36.1%**	**3,955**	**2,852**	**+38.7%**
Share of Earnings of Equity-Method Entities	111	116	-4.5%	96	+16.0%	207	191	+8.6%
Other Non Operating Items	-8	-2	n.s.	61	n.s.	53	11	n.s.
Pre-Tax Income	**2,382**	**1,845**	**+29.1%**	**1,832**	**+30.1%**	**4,214**	**3,053**	**+38.0%**
Cost/Income	62.3%	62.9%	-0.6 pt	70.1%	-7.8 pt	66.2%	67.6%	-1.4 pt
Allocated Equity (€bn)						54.6	55.8	-2.2%

Including 100% of Private Banking in France (excluding PEL/CEL effects), Italy, Belgium, Luxembourg, Poland, Turkey and the United States for the Revenues to Pre-Tax Income lines items

1H21 – Domestic Markets

€m	2Q21	2Q20	2Q21 / 2Q20	1Q21	2Q21 / 1Q21	1H21	1H20	1H21 / 1H20
Revenues	**4,076**	**3,721**	**+9.5%**	**3,956**	**+3.0%**	**8,032**	**7,635**	**+5.2%**
Operating Expenses and Dep.	-2,502	-2,446	+2.3%	-2,997	-16.5%	-5,499	-5,415	+1.5%
Gross Operating Income	**1,574**	**1,276**	**+23.4%**	**959**	**+64.2%**	**2,533**	**2,219**	**+14.2%**
Cost of Risk	-284	-331	-14.4%	-315	-9.8%	-599	-645	-7.1%
Operating Income	**1,291**	**944**	**+36.7%**	**644**	**n.s.**	**1,935**	**1,574**	**+22.9%**
Share of Earnings of Equity-Method Entities	-2	1	n.s.	-5	-59.1%	-6	0	n.s.
Other Non Operating Items	3	1	n.s.	4	-2.2%	7	1	n.s.
Pre-Tax Income	**1,292**	**946**	**+36.6%**	**643**	**n.s.**	**1,935**	**1,576**	**+22.8%**
Income Attributable to Wealth and Asset Management	-64	-62	+3.9%	-53	+22.0%	-117	-118	-0.9%
Pre-Tax Income of Domestic Markets	**1,228**	**884**	**+38.9%**	**590**	**n.s.**	**1,818**	**1,458**	**+24.7%**
Cost/Income	61.4%	65.7%	-4.3 pt	75.8%	-14.4 pt	68.5%	70.9%	-2.4 pt
Allocated Equity (€bn)						25.7	26.1	-1.5%

Including 100% of Private Banking in France (excluding PEL/CEL effects), Italy, Belgium and Luxembourg for the Revenues to Pre-Tax Income line items

- **Revenues: +5.2% vs. 1H20**
  - Increase in the networks, driven by higher fees, in particular financial fees, and growth in loan activity, partly offset by the impact of the low-interest-rate environment
  - Steep increase in specialised businesses, with a very strong increase at Arval
- **Operating expenses: +1.5% vs. 1H20**
  - Stability in the networks and increase in specialised businesses, driven by their growth
- **Pre-tax income: +24.7% vs. 1H20**
  - Impact of the decrease in cost of risk

1H21 – DM – French Retail Banking (excluding PEL/CEL effects)

€m	2Q21	2Q20	2Q21 / 2Q20	1Q21	2Q21 / 1Q21	1H21	1H20	1H21 / 1H20
Revenues	**1,587**	**1,408**	**+12.7%**	**1,480**	**+7.3%**	**3,067**	**2,932**	**+4.6%**
Incl. Net Interest Income	*840*	*774*	*+8.6%*	*796*	*+5.5%*	*1,636*	*1,596*	*+2.5%*
Incl. Commissions	*747*	*634*	*+17.8%*	*684*	*+9.3%*	*1,431*	*1,336*	*+7.1%*
Operating Expenses and Dep.	-1,075	-1,074	+0.1%	-1,169	-8.1%	-2,244	-2,240	+0.2%
Gross Operating Income	**513**	**334**	**+53.4%**	**310**	**+65.2%**	**823**	**692**	**+18.9%**
Cost of Risk	-101	-90	+12.1%	-125	-19.5%	-226	-191	+18.6%
Operating Income	**412**	**244**	**+68.6%**	**185**	**n.s.**	**597**	**502**	**+19.0%**
Non Operating Items	-2	0	n.s.	1	n.s.	-2	0	n.s.
Pre-Tax Income	**410**	**245**	**+67.5%**	**186**	**n.s.**	**595**	**501**	**+18.8%**
Income Attributable to Wealth and Asset Management	-32	-33	-1.7%	-30	+7.4%	-62	-68	-8.0%
Pre-Tax Income	**377**	**212**	**+78.2%**	**156**	**n.s.**	**533**	**434**	**+22.9%**
Cost/Income	67.7%	76.3%	-8.6 pt	79.0%	-11.3 pt	73.2%	76.4%	-3.2 pt
Allocated Equity (€bn)						10.8	10.8	+0.2%

Including 100% of Private Banking in France for the Revenues to Pre-Tax income line items (excluding PEL/CEL line items)[1]

- **Revenues: +4.6% vs. 1H20**
  - Net interest income: +2.5%, gradual normalisation of the contribution of the specialised subsidiaries during the first half of the year and effect of the increase in loan activity, despite the impact of low interest rates
  - Fees: +7.1%, steep increase in financial fees and rebound in banking fees
- **Operating expenses: +0.2% vs. 1H20,** ongoing impact of optimisation measures
- **Pre-tax income: +22.9% vs. 1H20**

1. PEL/CEL effect: +€20m in 1H21 (+€2m in 1H20) and +€19m in 2Q21 (+€15m in 2Q20)

DM – French Retail Banking

Volumes

Average outstandings (€bn)	Outstandings 2Q21	%Var/2Q20	%Var/1Q21	Outstandings 1H21	%Var/1H20
LOANS	**198.8**	**+6.2%**	**+0.4%**	**198.4**	**+8.6%**
Individual Customers	104.0	+6.3%	+1.7%	103.1	+5.3%
Incl. Mortgages	93.1	+6.5%	+1.8%	92.3	+5.9%
Incl. Consumer Lending	10.8	+4.8%	+1.7%	10.7	+0.7%
Corporates	94.8	+6.1%	-1.1%	95.3	+12.5%
DEPOSITS AND SAVINGS	**230.6**	**+6.0%**	**+2.2%**	**228.1**	**+11.5%**
Current Accounts	158.3	+6.9%	+3.2%	155.9	+14.6%
Savings Accounts	66.9	+4.6%	+1.0%	66.5	+5.5%
Market Rate Deposits	5.4	-2.8%	-8.8%	5.7	+3.8%

€bn	30.06.21	%Var/ 30.06.20	%Var/ 31.03.21
OFF BALANCE SHEET SAVINGS			
Life Insurance	101.1	+7.6%	+2.3%
Mutual Funds	39.0	+17.8%	-6.2%

- **Loans: +6.2% vs. 2Q20**, increase in corporate and individual loans (mortgage loans in particular)
- **Deposits: +6.0% vs. 2Q20**, driven by the impact of the public health crisis, but decline in corporate customer deposits
- **Off-balance sheet savings vs. 30.06.20:** very strong increase in mutual fund outstandings, particularly in medium and long-term funds, and strong increase in life insurance outstandings with very good gross asset inflows

1H21 – DM – BNL banca commerciale

€m	2Q21	2Q20	2Q21 / 2Q20	1Q21	2Q21 / 1Q21	1H21	1H20	1H21 / 1H20
Revenues	**669**	**649**	**+3.1%**	**676**	**-0.9%**	**1,345**	**1,308**	**+2.8%**
Operating Expenses and Dep.	-435	-422	+3.0%	-459	-5.3%	-894	-887	+0.8%
Gross Operating Income	**235**	**227**	**+3.4%**	**217**	**+8.4%**	**451**	**421**	**+7.3%**
Cost of Risk	-105	-122	-14.3%	-110	-4.7%	-215	-242	-11.4%
Operating Income	**130**	**105**	**+23.9%**	**107**	**+22.0%**	**237**	**179**	**+32.6%**
Non Operating Items	0	-2	n.s.	0	n.s.	0	-2	n.s.
Pre-Tax Income	**130**	**104**	**+25.9%**	**107**	**+22.2%**	**237**	**177**	**+33.9%**
Income Attributable to Wealth and Asset Management	-10	-9	+12.9%	-9	+6.0%	-19	-19	+2.7%
Pre-Tax Income of BNL bc	**120**	**95**	**+27.1%**	**97**	**+23.8%**	**218**	**158**	**+37.6%**
Cost/Income	64.9%	65.0%	-0.1 pt	67.9%	-3.0 pt	66.4%	67.8%	-1.4 pt
Allocated Equity (€bn)						5.3	5.3	+0.6%

Including 100% of Private Banking in Italy for the Revenues to Pre-Tax income line items

- **Revenues: +2.8% vs. 1H20**
  - Net interest income: -0.6%, due to the impact of the low-interest-rate environment, offset partly by higher volumes
  - Fees: +8.1%, increase in fees, financial fees in particular, with the increase in transactions and financial savings
- **Operating expenses: +0.8% vs. 1H20**, positive jaws effect
- **Pre-tax income: +37.6% vs. 1H20**
  - Impact of the lower cost of risk, particularly the lower provisions on non-performing loans (stage 3)

DM – BNL banca commerciale

Volumes

Average outstandings (€bn)	Outstandings 2Q21	%Var/2Q20	%Var/1Q21	Outstandings 1H21	%Var/1H20
LOANS	**76.2**	**+1.1%**	**-0.9%**	**76.6**	**+3.2%**
Individual Customers	41.0	+4.6%	+1.5%	40.7	+4.1%
Incl. Mortgages	26.2	+4.1%	+1.6%	26.0	+2.4%
Incl. Consumer Lending	4.9	+5.1%	+2.3%	4.8	-1.3%
Corporates	35.2	-2.6%	-3.5%	35.8	+2.2%
DEPOSITS AND SAVINGS	**58.7**	**+13.1%**	**+1.9%**	**58.1**	**+15.8%**
Individual Deposits	37.6	+12.9%	+2.6%	37.1	+13.4%
Incl. Current Accounts	37.3	+13.0%	+2.6%	36.8	+13.5%
Corporate Deposits	21.1	+13.3%	+0.7%	21.1	+20.4%

€bn	30.06.21	%Var/ 30.06.20	%Var/ 31.03.21
OFF BALANCE SHEET SAVINGS			
Life Insurance	24.7	+7.5%	+1.5%
Mutual Funds	17.5	+19.0%	+4.4%

- **Loans: +1.1% vs. 2Q20**, up more than 2.9 % vs. 2Q20, when excluding non-performing loans
- **Deposits: +13.1% vs. 2Q20**, growth in sight deposits in all client segments
- **Off-balance sheet savings: +12.0% vs. 30.06.20**, strong increase in mutual fund outstandings, driven mainly by strong market performances; increase in life insurance outstandings

1H21 – DM – Belgian Retail Banking

€m	2Q21	2Q20	2Q21 / 2Q20	1Q21	2Q21 / 1Q21	1H21	1H20	1H21 / 1H20
Revenues	**864**	**835**	**+3.5%**	**858**	**+0.6%**	**1,722**	**1,720**	**+0.1%**
Operating Expenses and Dep.	-488	-499	-2.1%	-835	-41.5%	-1,323	-1,329	-0.5%
Gross Operating Income	**376**	**336**	**+11.8%**	**23**	**n.s.**	**399**	**391**	**+2.1%**
Cost of Risk	-45	-80	-44.0%	-47	-5.1%	-92	-134	-31.5%
Operating Income	**331**	**256**	**+29.1%**	**-24**	**n.s.**	**307**	**257**	**+19.7%**
Non Operating Items	6	6	+0.8%	0	n.s.	6	11	-45.1%
Pre-Tax Income	**337**	**262**	**+28.5%**	**-24**	**n.s.**	**313**	**268**	**+17.0%**
Income Attributable to Wealth and Asset Management	-20	-19	+7.0%	-11	+86.1%	-31	-29	+9.4%
Pre-Tax Income of BDDB	**317**	**243**	**+30.2%**	**-35**	**n.s.**	**282**	**239**	**+18.0%**
Cost/Income	56.5%	59.8%	-3.3 pt	97.3%	-40.8 pt	76.8%	77.3%	-0.5 pt
Allocated Equity (€bn)						5.2	5.6	-7.2%

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

- **Revenues: +0.1% vs. 1H20**
  - Net interest income: -4.6%, impact of low interest rates offset partly by the contribution of the specialised subsidiaries and growth in loan activity
  - Fees: +12.0%, growth in financial fees and increase in banking fees with the recovery in activity
- **Operating expenses: -0.5% vs. 1H20**, impact of cost-reduction measures and optimisation of the branch network
- **Pre-tax income: +18.0% vs. 1H20**, impact of the lower cost of risk

DM – Belgian Retail Banking

Volumes

Average outstandings (€bn)	Outstandings 2Q21	%Var/2Q20	%Var/1Q21	Outstandings 1H21	%Var/1H20
LOANS	**116.2**	**+0.6%**	**+1.3%**	**115.4**	**+0.6%**
Individual Customers	74.7	+2.3%	+1.0%	74.4	+2.2%
Incl. Mortgages	54.5	+2.2%	+0.5%	54.3	+2.1%
Incl. Consumer Lending	0.4	+4.7%	n.s.	0.2	+8.4%
Incl. Small Businesses	19.9	+2.4%	+1.2%	19.8	+2.4%
Corporates and Local Governments	41.5	-2.3%	+1.9%	41.1	-2.1%
DEPOSITS AND SAVINGS	**146.9**	**+6.2%**	**+2.3%**	**145.3**	**+6.7%**
Current Accounts	67.4	+8.4%	+3.3%	66.3	+10.8%
Savings Accounts	77.2	+4.7%	+1.5%	76.7	+4.1%
Term Deposits	2.3	-8.3%	-0.5%	2.3	-13.1%

€bn	30.06.21	%Var/ 30.06.20	%Var/ 31.03.21
OFF BALANCE SHEET SAVINGS			
Life Insurance	24.2	+1.3%	+0.2%
Mutual Funds	40.2	+24.6%	+4.9%

- **Loans: +0.6% vs. 2Q20**, increase in individual customer loans
- **Deposits: +6.2% vs. 2Q20**, increase in individual deposits
- **Off-balance sheet savings: +14.7% vs. 30.06.20**, increase in mutual fund outstandings, driven in particular by favourable market performances

1H21 – DM – Other Activities

€m	2Q21	2Q20	2Q21 / 2Q20	1Q21	2Q21 / 1Q21	1H21	1H20	1H21 / 1H20
Revenues	**956**	**829**	**+15.3%**	**942**	**+1.5%**	**1,898**	**1,675**	**+13.3%**
Operating Expenses and Dep.	-505	-451	+11.9%	-533	-5.4%	-1,038	-959	+8.2%
Gross Operating Income	**451**	**378**	**+19.3%**	**408**	**+10.5%**	**860**	**715**	**+20.2%**
Cost of Risk	-34	-40	-15.1%	-33	+3.3%	-66	-78	-14.9%
Operating Income	**418**	**339**	**+23.3%**	**376**	**+11.1%**	**793**	**637**	**+24.5%**
Share of Earnings of Equity-Method Entities	-2	-3	-22.1%	-2	+50.1%	-4	-7	-42.5%
Other Non Operating Items	0	0	-61.9%	0	+0.3%	0	0	+52.6%
Pre-Tax Income	**415**	**336**	**+23.7%**	**374**	**+11.0%**	**790**	**630**	**+25.3%**
Income Attributable to Wealth and Asset Management	-2	-1	+42.1%	-2	-26.3%	-4	-3	+40.3%
Pre-Tax Income of other DM	**414**	**335**	**+23.6%**	**372**	**+11.2%**	**785**	**627**	**+25.2%**
Cost/Income	52.8%	54.4%	-1.6 pt	56.6%	-3.8 pt	54.7%	57.3%	-2.6 pt
Allocated Equity (€bn)						4.3	4.4	-1.3%

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

- **Revenues: +13.3% vs. 1H20**
  - Very strong growth, driven in particular by the very steep rise at Arval and the good performances of Leasing Solutions, Personal Investors and Nickel
  - Increase in fees offset by the impact of the low-interest-rate environment at Luxembourg Retail Banking
- **Operating expenses: +8.2% vs. 1H20**
  - Increase driven by the expansion in activity
  - Very positive jaws effect (+5.1 pts)
- **Pre-tax income: +25.2% vs. 1H20**

DM – LRB – Personal Investors

Luxembourg Retail Banking (LRB)

Average outstandings (€bn)	2Q21	%Var/2Q20	%Var/1Q21	1H21	%Var/1H20
LOANS	12.1	+5.7%	+2.2%	12.0	+5.1%
Individual Customers	7.7	+7.0%	+1.4%	7.7	+6.8%
Corporates and Local Governments	4.3	+3.5%	+3.5%	4.3	+2.2%
DEPOSITS AND SAVINGS	27.4	+16.2%	+1.9%	27.1	+14.8%
Current Accounts	17.3	+29.4%	+2.1%	17.1	+31.7%
Savings Accounts	8.9	+2.0%	+2.9%	8.8	-1.9%
Term Deposits	1.2	-20.4%	-8.5%	1.2	-26.9%

€bn	30.06.21	%Var/ 30.06.20	%Var/ 31.03.21
OFF BALANCE SHEET SAVINGS			
Life Insurance	1.1	+3.4%	+0.6%
Mutual Funds	2.2	+29.5%	+7.0%

- **Loans: +5.7% vs. 2Q20**, good growth driven mainly by mortgage loans
- **Deposits: +16.2% vs. 2Q20,** growth driven in particular by inflows from corporate customers
- **Off-balance sheet savings**: very strong growth in mutual funds, driven in particular by favourable market trend

Personal Investors

Average outstandings (€bn)	2Q21	%Var/2Q20	%Var/1Q21	1H21	%Var/1H20
LOANS	0.5	+14.8%	-8.2%	0.6	+14.3%
DEPOSITS	27.2	+9.3%	+4.2%	26.6	+8.4%

€bn	30.06.21	%Var/ 30.06.20	%Var/ 31.03.21
ASSETS UNDER MANAGEMENT	156.9	+40.4%	+7.5%
European Customer Orders (millions)	10.0	+8.5%	-19.1%

- **Deposits: +9.3% vs. 2Q20**, very good level of external asset inflows
- **AuM: +40.4% vs. 30.06.20**, strong growth with very good asset inflows and favourable market trend
- Normalising of retail order numbers at a high level

DM – Arval – Leasing Solutions – Nickel

Arval

Average outstandings (€bn)	2Q21	%Var[1]/2Q20 at constant scope and exchange rates	%Var[1]/1Q21 at constant scope and exchange rates	1H21	%Var[1]/1H20 at constant scope and exchange rates
Consolidated Outstandings	24.0	+11.7%	+2.9%	23.6	+10.7%
Financed vehicles ('000 of vehicles)	1,417	+6.4%	+1.7%	1,405	+5.9%

- **Consolidated outstandings: +11.7%[1] vs. 2Q20**, good growth in all regions
- **Financed fleet: +6.4% vs. 2Q20**, strong sales and marketing drive

Leasing Solutions

Average outstandings (€bn)	2Q21	%Var[1]/2Q20 at constant scope and exchange rates	%Var[1]/1Q21 at constant scope and exchange rates	1H21	%Var[1]/1H20 at constant scope and exchange rates
Consolidated Oustandings	21.3	+4.7%	+2.2%	21.1	+3.5%

- **Consolidated outstandings: +4.7%[1] vs. 2Q20**, good sales and marketing drive

Nickel

- **More than 2.1 million accounts opened**[2] as of the end of June 2021 (+28.1% vs. 30.06.20)

1. At constant scope and exchange rates; 2. Since inception in France

1H21 – International Financial Services

€m	2Q21	2Q20	2Q21 / 2Q20	1Q21	2Q21 / 1Q21	1H21	1H20	1H21 / 1H20
Revenues	**3,948**	**4,027**	**-2.0%**	**4,028**	**-2.0%**	**7,976**	**8,080**	**-1.3%**
Operating Expenses and Dep.	-2,478	-2,414	+2.6%	-2,587	-4.2%	-5,065	-5,180	-2.2%
Gross Operating Income	**1,470**	**1,613**	**-8.9%**	**1,441**	**+2.0%**	**2,911**	**2,900**	**+0.4%**
Cost of Risk	-417	-765	-45.5%	-357	+16.6%	-774	-1,505	-48.5%
Operating Income	**1,053**	**848**	**+24.3%**	**1,084**	**-2.8%**	**2,137**	**1,396**	**+53.1%**
Share of Earnings of Equity-Method Entities	113	116	-2.2%	100	+12.6%	213	190	+12.2%
Other Non Operating Items	-12	-3	n.s.	57	n.s.	46	9	n.s.
Pre-Tax Income	**1,154**	**960**	**+20.2%**	**1,242**	**-7.0%**	**2,396**	**1,595**	**+50.2%**
Cost/Income	62.8%	59.9%	+2.9 pt	64.2%	-1.4 pt	63.5%	64.1%	-0.6 pt
Allocated Equity (€bn)						29.0	29.8	-2.8%

- **Forex effects**: appreciation of the euro vs. the dollar, the Turkish lira and the zloty
  - TRY/EUR[1]: -25.2% vs. 2Q20, -11.9% vs. 1Q21, -24.9% vs. 1H20
  - PLN/EUR[1]: -0.5% vs. 2Q20, +0.3% vs. 1Q21, -2.7% vs. 1H20
  - USD/EUR[1]: -8.6% vs. 2Q20, stable vs. 1Q21, -8.6% vs. 1H20
- **At constant scope and exchange rates vs. 1H20**
  - **Revenues: +3.0%**, strong growth in savings, asset management and Insurance businesses, good increase at BancWest, decrease at Personal Finance due to the public health crisis, and a less favourable environment for Europe-Mediterranean
  - **Operating expenses: +2.1%**, positive jaws effect (+0.9 pt)
  - **Pre-tax income: +52.6%**, steep decrease in the cost of risk and effect of the capital gain on the sale of an Asset Management stake in 1Q21

1. Average exchange rates

1H21 – IFS – Personal Finance

€m	2Q21	2Q20	2Q21 / 2Q20	1Q21	2Q21 / 1Q21	1H21	1H20	1H21 / 1H20
Revenues	**1,319**	**1,302**	**+1.3%**	**1,332**	**-0.9%**	**2,651**	**2,777**	**-4.5%**
Operating Expenses and Dep.	-700	-641	+9.2%	-763	-8.3%	-1,463	-1,429	+2.4%
Gross Operating Income	**619**	**661**	**-6.3%**	**568**	**+9.0%**	**1,188**	**1,348**	**-11.9%**
Cost of Risk	-344	-450	-23.6%	-321	+7.1%	-665	-1,032	-35.6%
Operating Income	**276**	**211**	**+30.8%**	**248**	**+11.4%**	**523**	**316**	**+65.6%**
Share of Earnings of Equity-Method Entities	-2	-5	-55.5%	16	n.s.	14	3	n.s.
Other Non Operating Items	-9	4	n.s.	1	n.s.	-8	4	n.s.
Pre-Tax Income	**264**	**210**	**+25.9%**	**264**	**-0.0%**	**529**	**323**	**+63.6%**
Cost/Income	53.1%	49.2%	+3.9 pt	57.3%	-4.2 pt	55.2%	51.4%	+3.8 pt
Allocated Equity (€bn)						7.8	8.1	-3.6%

- **At constant scope and exchange rates vs. 1H20**
  - **Revenues: -3.6%**, due mainly to lower volumes given the public health crisis, despite the marked recovery in production late in the first half
  - **Operating expenses: +3.3%**, driven up by the recovery in business activity and ongoing investments
  - **Pre-tax income: +70.1%**, very sharp increase, driven particularly by the strong decrease in the cost of risk

IFS – Personal Finance

Volumes and risks

Average outstandings (€bn)	Outstandings 2Q21	%Var/2Q20 historical	%Var/2Q20 at constant scope and exchange rates	%Var/1Q21 historical	%Var/1Q21 at constant scope and exchange rates	Outstandings 1H21	%Var/1H20 historical	%Var/1H20 at constant scope and exchange rates
TOTAL CONSOLIDATED OUTSTANDINGS	91.3	-0.5%	-0.8%	+0.5%	+0.3%	91.1	-2.5%	-2.2%
TOTAL OUTSTANDINGS UNDER MANAGEMENT (1)	104.5	-2.0%	-0.5%	+0.7%	+0.5%	104.1	-4.0%	-1.9%

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

- **Cost of risk / loans outstanding**

Reminder: €230m in ex-ante provisions from 1H20 (€189m in 1Q20 and €41m in 2Q20)

Annualised cost of risk / outstandings as at beginning of period	2Q20	3Q20	4Q20	1Q21	2Q21
France	-0.32%	1.26%	-1.27%	1.10%	0.35%
Italy	2.85%	1.67%	3.14%	1.70%	1.05%
Spain	3.05%	2.02%	7.13%	2.07%	4.54%
Other Western Europe	1.56%	1.38%	2.40%	0.96%	1.15%
Eastern Europe	4.31%	1.40%	6.34%	1.39%	2.47%
Brazil	9.03%	9.20%	8.70%	4.75%	7.49%
Others	3.57%	3.00%	3.62%	1.72%	2.14%
Personal Finance	**1.87%**	**1.65%**	**2.53%**	**1.38%**	**1.47%**

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1H21 – IFS – Europe-Mediterranean

€m	2Q21	2Q20	2Q21 / 2Q20	1Q21	2Q21 / 1Q21	1H21	1H20	1H21 / 1H20
Revenues	**464**	**609**	**-23.8%**	**516**	**-10.1%**	**981**	**1,274**	**-23.0%**
Operating Expenses and Dep.	-394	-414	-4.8%	-433	-9.0%	-826	-904	-8.5%
Gross Operating Income	**71**	**196**	**-63.9%**	**84**	**-15.6%**	**154**	**370**	**-58.4%**
Cost of Risk	-58	-143	-59.2%	-39	+51.2%	-97	-229	-57.7%
Operating Income	**12**	**53**	**-76.7%**	**45**	**-72.7%**	**57**	**141**	**-59.4%**
Non Operating Items	70	27	n.s.	-2	n.s.	68	86	-20.6%
Pre-Tax Income	**82**	**80**	**+2.1%**	**43**	**+88.6%**	**125**	**227**	**-44.8%**
Income Attributable to Wealth and Asset Management	-2	-1	+37.3%	-3	-19.9%	-5	-4	+7.5%
Pre-Tax Income	**80**	**79**	**+1.5%**	**41**	**+95.4%**	**121**	**223**	**-45.8%**
Cost/Income	84.8%	67.9%	+16.9 pt	83.8%	+1.0 pt	84.3%	70.9%	+13.4 pt
Allocated Equity (€bn)						5.0	5.3	-5.9%

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

- **Forex effects due to the appreciation of the euro vs. the Turkish lira and zloty**
  - TRY/EUR[1]: -25.2% vs. 2Q20, -11.9% vs. 1Q21, -24.9% vs. 1H20
  - PLN/EUR[1]: -0.5% vs. 2Q20, +0.3% vs. 1Q21, -2.7% vs. 1H20
- **At constant scope and exchange rates vs. 1H20**
  - **Revenues[2]: -11.3%**, decrease in net interest income, particularly in Turkey and Poland, offset partly by a rebound in fees
  - **Operating expenses[2]: +3.6%**, contained increase despite high wage drift, particularly in Turkey, and several targeted initiatives
  - **Pre-tax income[3]: -29.4%**

1. Average exchange rates; 2. Including 100% of Private Banking in Turkey and Poland; 3. Including 2/3 of Private Banking in Turkey and Poland

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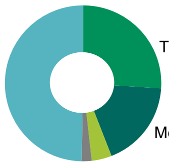
IFS – Europe-Mediterranean

Volumes and risks

Average outstandings (€bn)	Outstandings 2Q21	%Var/2Q20 historical	%Var/2Q20 at constant scope and exchange rates	%Var/1Q21 historical	%Var/1Q21 at constant scope and exchange rates	Outstandings 1H21	%Var/1H20 historical	%Var/1H20 at constant scope and exchange rates
LOANS	33.8	-9.4%	+2.0%	-0.9%	+2.8%	34.0	-10.8%	+1.7%
DEPOSITS	39.8	-4.1%	+7.3%	+1.3%	+4.7%	39.6	-5.6%	+7.1%

2Q21 Geographical breakdown in loans outstanding



Cost of risk / loans outstanding

Annualised cost of risk / outstandings as at beginning of period	2Q20	3Q20	4Q20	1Q21	2Q21
Turkey	2.13%	1.15%	1.36%	0.73%	1.21%
Ukraine	1.10%	-0.33%	0.62%	-0.09%	1.49%
Poland	0.58%	0.90%	0.59%	0.30%	0.26%
Others	2.01%	1.67%	1.44%	0.30%	0.69%
Europe Mediterranean	1.41%	1.13%	1.02%	0.42%	0.65%

TEB: a solid and well capitalised bank

- Solvency ratio[1] of 18.1% as at 30.06.21
- Very largely self-financed
- 1.1% of the Group's loans outstanding as at 30.06.21

1. Capital Adequacy Ratio (CAR)

1H21 – IFS – BancWest

€m	2Q21	2Q20	2Q21 / 2Q20	1Q21	2Q21 / 1Q21	1H21	1H20	1H21 / 1H20
Revenues	**587**	**629**	**-6.6%**	**625**	**-6.1%**	**1,212**	**1,240**	**-2.2%**
Operating Expenses and Dep.	-406	-432	-6.1%	-407	-0.5%	-813	-897	-9.4%
Gross Operating Income	**182**	**197**	**-7.8%**	**218**	**-16.5%**	**399**	**343**	**+16.5%**
Cost of Risk	-8	-167	-94.9%	7	n.s.	-2	-229	-99.2%
Operating Income	**173**	**30**	**n.s.**	**224**	**-22.8%**	**397**	**113**	**n.s.**
Non Operating Items	3	-3	n.s.	2	+98.8%	5	-3	n.s.
Pre-Tax Income	**176**	**27**	**n.s.**	**226**	**-22.0%**	**402**	**111**	**n.s.**
Income Attributable to Wealth and Asset Management	-5	-5	-3.7%	-7	-23.9%	-12	-10	+15.8%
Pre-Tax Income	**171**	**22**	**n.s.**	**219**	**-21.9%**	**390**	**100**	**n.s.**
Cost/Income	69.1%	68.7%	+0.4 pt	65.2%	+3.9 pt	67.1%	72.4%	-5.3 pt
Allocated Equity (€bn)						5.0	5.7	-13.4%

Including 100% of Private Banking in the United States for the Revenues to Pre-Tax Income line items

- **Foreign exchange effect:** USD vs. EUR[1]: -8.6% vs. 2Q20, stable vs. 1Q21, -8.6% vs. 1H20
- **At constant scope and exchange rates / 1H20**
  - **Revenues[2]: +6.9%**, increase driven by a strong increase in fees, an improvement in margin, an increase in deposits and the effect of good loan production, +2.1% excluding non recurrent items in 1Q21
  - **Operating expenses[2]: -1.3%**, decrease in operating expenses due to cost-reduction measures, positive jaws effect (+8.2 pts)
  - **Pre-tax income[3]: x4.4**, strong decrease in the cost of risk on the back of the effect of provisioning of performing loans (stages 1 & 2) in 1H20

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

IFS – BancWest

Volumes

Average outstandings (€bn)	Outstandings 2Q21	%Var/2Q20 historical	%Var/2Q20 at constant scope and exchange rates	%Var/1Q21 historical	%Var/1Q21 at constant scope and exchange rates	Outstandings 1H21	%Var/1H20 historical	%Var/1H20 at constant scope and exchange rates
LOANS	48.8	-16.9%	-9.0%	-2.4%	-2.4%	49.4	-14.3%	-6.3%
Individual Customers	19.6	-18.2%	-10.5%	-2.9%	-2.9%	19.9	-17.7%	-10.0%
Incl. Mortgages	7.8	-23.8%	-16.6%	-5.1%	-5.1%	8.0	-22.3%	-15.1%
Incl. Consumer Lending	11.8	-14.0%	-5.9%	-1.3%	-1.3%	11.9	-14.3%	-6.3%
Commercial Real Estate	13.9	-8.2%	+0.4%	-0.3%	-0.3%	13.9	-8.1%	+0.5%
Corporate Loans	15.4	-21.8%	-14.5%	-3.6%	-3.6%	15.7	-14.8%	-6.9%
DEPOSITS AND SAVINGS	67.8	-0.0%	+9.4%	+3.9%	+3.9%	66.5	+4.1%	+13.9%
Customer Deposits	62.7	+1.4%	+10.9%	+3.1%	+3.1%	61.8	+5.8%	+15.7%

- **At constant scope and exchange rates vs. 2Q20**
  - **Loans: -9.0%**, decrease in loans to individuals related in particular to the discontinuation of a business in 2020 and the effect of economic stimulus measures, despite very good loan production momentum
  - **Deposits: +9.4%**, +10.9% increase in deposits excluding treasury activities

IFS – Insurance and WAM[1]

Activity

€bn	30.06.21	30.06.20	%Var/ 30.06.20	31.03.21	%Var/ 31.03.21
Assets under management (€bn)	1,202.7	1,085.1	+10.8%	1,171.9	+2.6%
Asset Management	489	428	+14.4%	474	+3.3%
Wealth Management	410	377	+8.7%	402	+2.1%
Real Estate Services	29	29	+1.2%	28	+1.2%
Insurance	274	252	+9.1%	268	+2.3%

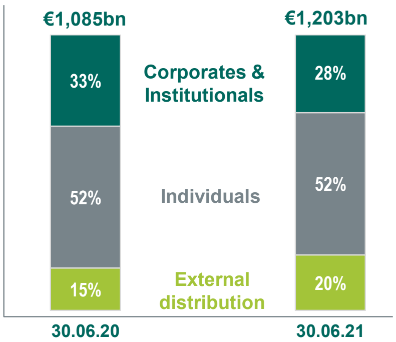
	2Q21	2Q20	%Var/ 2Q20	1Q21	%Var/ 1Q21
Net asset flows (€bn)	12.1	1.6	n.s.	5.1	n.s.
Asset Management	5.3	0.2	n.s.	-1.0	n.s.
Wealth Management	4.8	2.4	n.s.	4.4	+8.1%
Real Estate Services	0.4	-0.4	n.s.	0.1	n.s.
Insurance	1.6	-0.6	n.s.	1.5	+7.3%

- **Assets under management: +€30.8bn vs. 31.03.21, including**
  - **Performance impact:** +€20.4bn, with the rebound in the financial markets
  - **Net asset inflows:** +€12.1bn, very good net asset inflows in all business lines
  - **Forex impact:** -€0.5bn, with a stronger euro
  - **+€117.7bn vs. 30.06.20**

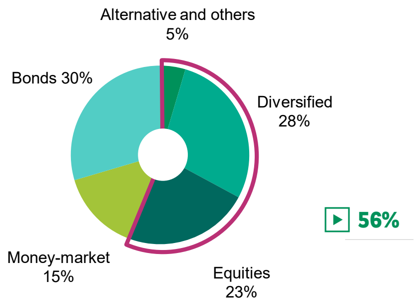
1. Asset Management, Wealth Management and Real Estate Services

IFS – Insurance and WAM[1]

Insurance and WAM
Breakdown of assets by client segment



Asset management
Breakdown in managed assets as at 30.06.21



1. Asset Management, Wealth Management and Real Estate Services

1H21 – IFS – Insurance

€m	2Q21	2Q20	2Q21 / 2Q20	1Q21	2Q21 / 1Q21	1H21	1H20	1H21 / 1H20
Revenues	**767**	**828**	**-7.4%**	**792**	**-3.1%**	**1,558**	**1,407**	**+10.8%**
Operating Expenses and Dep.	-367	-339	+8.4%	-383	-4.0%	-750	-732	+2.5%
Gross Operating Income	**399**	**489**	**-18.3%**	**409**	**-2.3%**	**808**	**675**	**+19.7%**
Cost of Risk	-1	-2	-62.2%	0	n.s.	0	-1	-48.6%
Operating Income	**399**	**487**	**-18.2%**	**409**	**-2.5%**	**808**	**674**	**+19.8%**
Share of Earnings of Equity-Method Entities	25	39	-35.5%	33	-23.1%	58	40	+46.3%
Other Non Operating Items	0	21	-99.7%	0	-61.5%	0	30	-99.2%
Pre-Tax Income	**424**	**548**	**-22.6%**	**442**	**-4.1%**	**866**	**744**	**+16.4%**
Cost/Income	47.9%	40.9%	+7.0 pt	48.3%	-0.4 pt	48.1%	52.0%	-3.9 pt
Allocated Equity (€bn)						9.1	8.5	+6.4%

- **Technical reserves: +8.0% vs. 1H20**
- **Revenues: +10.8% vs. 1H20**
  - Very good performance in Savings, recovery in Protection
  - Reminder: low base in 1H20 due to the accounting impact from the 1H20 market performance and the effect of the public health crisis on claims
- **Operating expenses: +2.5% vs. 1H20**, driven by the rebound in activity and by targeted initiatives
- **Pre-tax income: +16.4% vs. 1H20**, greater contribution from associates

1H21 – IFS – Wealth and Asset Management

€m	2Q21	2Q20	2Q21 / 2Q20	1Q21	2Q21 / 1Q21	1H21	1H20	1H21 / 1H20
Revenues	**830**	**678**	**+22.4%**	**784**	**+5.9%**	**1,614**	**1,422**	**+13.5%**
Operating Expenses and Dep.	-624	-601	+3.8%	-612	+1.8%	-1,236	-1,243	-0.6%
Gross Operating Income	**206**	**77**	**n.s.**	**172**	**+20.3%**	**378**	**178**	**n.s.**
Cost of Risk	-6	-4	+51.7%	-4	+33.6%	-10	-13	-23.6%
Operating Income	**201**	**74**	**n.s.**	**167**	**+20.0%**	**368**	**165**	**n.s.**
Share of Earnings of Equity-Method Entities	13	28	-55.0%	12	+10.2%	24	39	-37.7%
Other Non Operating Items	2	0	n.s.	96	-98.2%	98	0	n.s.
Pre-Tax Income	**215**	**102**	**n.s.**	**275**	**-21.8%**	**490**	**204**	**n.s.**
Cost/Income	75.1%	88.6%	-13.5 pt	78.1%	-3.0 pt	76.6%	87.4%	-10.8 pt
Allocated Equity (€bn)						2.1	2.1	+0.4%

- **Revenues: +13.5% vs. 1H20**
  - Very good performance by Asset Management, driven by strong net asset inflows and the performance effect
  - Rebound in Real Estate Services from a low 1H20 basis of comparison, mainly in Advisory
  - Impact of the low-interest-rate environment, partly offset by higher fees in Wealth Management
- **Operating expenses: -0.6% vs. 1H20**
  - Positive jaws effect in all business lines (an overall level +14.1pts)
- **Pre-tax income: +139.9% vs. 1H20**, including the effect of the capital gain on the divestment of an Asset Management stake in 1Q21

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1H21 – Corporate and Institutional Banking

€m	2Q21	2Q20	2Q21 / 2Q20	1Q21	2Q21 / 1Q21	1H21	1H20	1H21 / 1H20
Revenues	**3,714**	**4,123**	**-9.9%**	**3,670**	**+1.2%**	**7,384**	**7,076**	**+4.4%**
Operating Expenses and Dep.	-2,042	-2,220	-8.0%	-2,767	-26.2%	-4,809	-4,612	+4.3%
Gross Operating Income	**1,672**	**1,904**	**-12.2%**	**903**	**+85.1%**	**2,575**	**2,463**	**+4.5%**
Cost of Risk	-57	-319	-82.2%	-172	-67.0%	-229	-682	-66.5%
Operating Income	**1,615**	**1,585**	**+1.9%**	**731**	**n.s.**	**2,346**	**1,781**	**+31.7%**
Share of Earnings of Equity-Method Entities	10	-3	n.s.	9	+14.3%	19	0	n.s.
Other Non Operating Items	12	6	n.s.	11	+15.4%	23	7	n.s.
Pre-Tax Income	**1,637**	**1,587**	**+3.2%**	**751**	**n.s.**	**2,388**	**1,789**	**+33.5%**
Cost/Income	55.0%	53.8%	+1.2 pt	75.4%	-20.4 pt	65.1%	65.2%	-0.1 pt
Allocated Equity (€bn)						25.3	24.3	+4.3%

- **Revenues: +4.4% vs. 1H20** (+8.6% at constant scope and exchange rates), **+20.9% vs. 1H19**
  - Growth in all three businesses: Global Markets (+7.9%[1]), Corporate Banking (+11.3%[1]) and Securities Services (+5.2%[1])
  - Strong performance (+20.9% vs. 1H19) driven by business diversification and expansion of the platforms
- **Operating expenses: +4.3% vs. 1H20** (+6.9% vs. 1H20 at constant scope and exchange rates)
  - Increase related to the strong growth in activity and the increase in taxes subject to IFRIC 21[2]
  - Positive jaws effect due to cost-saving measures (+2.2 pts when excluding taxes subject to IFRIC 21)
- **Cost of risk: significant drop vs. 1H20**
- **Allocated equity: +4.3% vs. 1H20**
  - Increase due in particular to the impact of 1H20 market volatility on risk-weighted assets (still taken into account in 1H21 despite the decrease in VaR in 2Q21)

1. At constant scope and exchange rates; 2. Taxes subject to IFRIC: €628m, +€107m vs. 1H20

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Corporate and Institutional Banking
Corporate Banking – 1H21

€m	2Q21	2Q20	2Q21 / 2Q20	1Q21	2Q21 / 1Q21	1H21	1H20	1H21 / 1H20
Revenues	**1,238**	**1,258**	**-1.6%**	**1,243**	**-0.3%**	**2,481**	**2,328**	**+6.6%**
Operating Expenses and Dep.	-589	-632	-6.7%	-755	-21.9%	-1,344	-1,380	-2.6%
Gross Operating Income	**649**	**627**	**+3.5%**	**488**	**+33.0%**	**1,137**	**948**	**+19.9%**
Cost of Risk	-64	-366	-82.6%	-185	-65.5%	-249	-567	-56.1%
Operating Income	**585**	**261**	**n.s.**	**303**	**+93.1%**	**889**	**381**	**n.s.**
Non Operating Items	9	-2	n.s.	6	+56.6%	14	1	n.s.
Pre-Tax Income	**594**	**259**	**n.s.**	**309**	**+92.4%**	**903**	**383**	**n.s.**
Cost/Income	47.6%	50.2%	-2.6 pt	60.7%	-13.1 pt	54.2%	59.3%	-5.1 pt
Allocated Equity (€bn)						13.5	13.6	-0.1%

- **Revenues: +6.6% vs. 1H20** (+11.3% at constant scope and exchange rates)
  - Increase driven by EMEA and the Americas
  - Growth in the Capital Markets platform in EMEA vs. a high 1H20 base, and improved transactional banking activities (cash management and trade finance)
- **Operating expenses: -2.6% vs. 1H20** (stable at constant scope and exchange rates)
  - Decrease with the effect of cost-savings measures
  - Very positive jaws effect
- **Strong decrease in the cost of risk**
- **Allocated equity:** decrease related to normalisation of loans outstanding after the peak in 2020

Corporate and Institutional Banking
Global Markets – 1H21

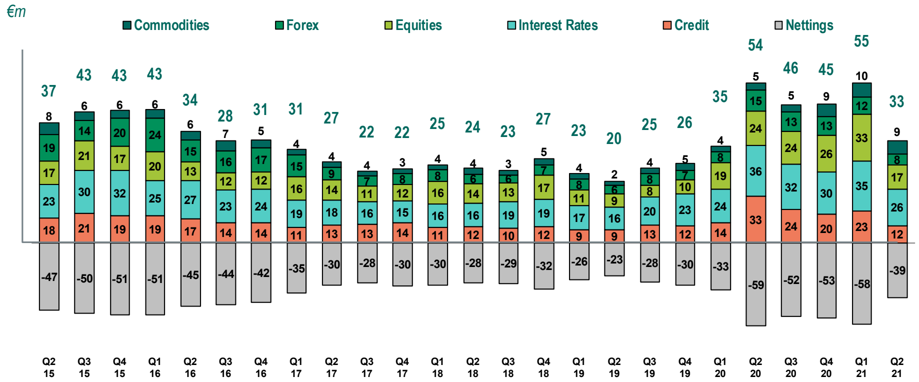
€m	2Q21	2Q20	2Q21 / 2Q20	1Q21	2Q21 / 1Q21	1H21	1H20	1H21 / 1H20
Revenues	**1,904**	**2,304**	**-17.4%**	**1,846**	**+3.1%**	**3,750**	**3,610**	**+3.9%**
incl. FICC	*1,148*	*2,013*	-43.0%	*1,149*	-0.1%	*2,296*	*3,406*	-32.6%
incl. Equity & Prime Services	*757*	*290*	n.s.	*697*	+8.5%	*1,454*	*203*	n.s.
Operating Expenses and Dep.	-999	-1,137	-12.1%	-1,527	-34.6%	-2,526	-2,299	+9.9%
Gross Operating Income	**905**	**1,167**	**-22.5%**	**319**	**n.s.**	**1,224**	**1,311**	**-6.6%**
Cost of Risk	5	45	-89.6%	14	-67.0%	19	-116	n.s.
Operating Income	**910**	**1,212**	**-25.0%**	**333**	**n.s.**	**1,243**	**1,195**	**+4.0%**
Share of Earnings of Equity-Method Entities	5	-2	n.s.	2	n.s.	7	-1	n.s.
Other Non Operating Items	2	3	-29.5%	3	-30.4%	6	3	+95.7%
Pre-Tax Income	**917**	**1,214**	**-24.5%**	**339**	**n.s.**	**1,256**	**1,197**	**+4.9%**
Cost/Income	52.5%	49.3%	+3.2 pt	82.7%	-30.2 pt	67.4%	63.7%	+3.7 pt
Allocated Equity (€bn)						10.7	9.8	+9.4%

- **Revenues: +3.9% vs. 1H20** (+7.9% at constant scope and exchange rates)
  - FICC: very good performance in particular for primary activities, foreign exchange and commodity derivatives; up sharply vs. 1H19 (+25.6%) after an exceptional environment in 1H20[1]
  - Equity & Prime Services: record activity in 1H21 and, impact of the rebound in derivatives vs. 1H20, followed in 2Q20 by a gradual recovery in activity
- **Operating expenses: +9.9% vs. 1H20** (+13.2% at constant scope and exchange rates), driven by higher activity and the increase in taxes subject to IFRIC 21
- **Cost of risk:** high base in 1H20
- **Allocated equity:** increase due in particular to the impact of 1H20 market volatility on risk-weighted assets (still taken into account in 1H21 despite the decrease in VaR in 2Q21)

1. Affected by the extreme market shocks of 1Q20 and by European authorities' restrictions on dividend payments. Reminder: in 1Q20: -€184m, due to European authorities' restrictions on 2019 dividend payments

Corporate and Institutional Banking
Market risks – 2Q21

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



Decrease in average VaR this quarter[1]

- Decline in VaR throughout the quarter to a very low level in early June with the gradual exit of the high volatility spikes caused by the triggering of the public health crisis
- No back-testing excess this quarter
- 33 events since 01.01.2007, or about two per year over a long period, including crisis, in line with the internal VaR calculation model (1-day, 99%)

1. VaR calculated to monitor market limits

Corporate and Institutional Banking
Securities Services – 1H21

€m	2Q21	2Q20	2Q21 / 2Q20	1Q21	2Q21 / 1Q21	1H21	1H20	1H21 / 1H20
Revenues	**571**	**561**	**+1.9%**	**581**	**-1.7%**	**1,153**	**1,138**	**+1.3%**
Operating Expenses and Dep.	-454	-451	+0.6%	-485	-6.5%	-939	-933	+0.6%
Gross Operating Income	**117**	**109**	**+7.3%**	**96**	**+22.3%**	**214**	**204**	**+4.5%**
Cost of Risk	2	2	+21.0%	-1	n.s.	1	0	n.s.
Operating Income	**120**	**111**	**+7.5%**	**95**	**+26.4%**	**215**	**205**	**+4.8%**
Non Operating Items	6	3	n.s.	8	-22.4%	14	4	n.s.
Pre-Tax Income	**126**	**114**	**+10.7%**	**103**	**+22.6%**	**229**	**209**	**+9.6%**
Cost/Income	79.4%	80.5%	-1.1 pt	83.5%	-4.1 pt	81.5%	82.0%	-0.5 pt
Allocated Equity (€bn)						1.1	1.0	+13.6%

Securities Services	30.06.21	30.06.20	%Var/ 30.06.20	31.03.21	%Var/ 31.03.21
Assets under custody (€bn)	12,067	10,092	+19.6%	11,638	+3.7%
Assets under administration (€bn)	2,388	2,442	-2.2%	2,295	+4.1%
	2Q21	**2Q20**	**2Q21/2Q20**	**1Q21**	**2Q21/1Q21**
Number of transactions (in million)	33.3	31.4	+6.1%	35.7	-6.9%

- **Revenues: +1.3% vs. 1H20** (+5.2% at constant scope and exchange rates), due to an increase in assets, in particular on recent large mandates, and higher transaction volumes
- **Good containment of operating expenses:** positive jaws effect (+3.7 pts at constant scope and exchange rates)

1. Change in scope of assets under administration, excluding assets simply on deposit, effective 2021

2Q21 – Corporate centre

€m	2Q21	2Q20	1Q21	1H21	1H20
Revenues	**162**	**-78**	**314**	**477**	**48**
Operating Expenses and Dep.	*-222*	*-329*	*-331*	*-553*	*-442*
Incl. Transformation, IT Reinforcement, Restructuring and Adaptation Costs	*-71*	*-75*	*-77*	*-148*	*-154*
Gross Operating Income	**-59**	**-406**	**-17**	**-76**	**-394**
Cost of Risk	-64	-33	-55	-119	-46
Operating Income	**-123**	**-439**	**-72**	**-195**	**-440**
Share of Earnings of Equity-Method Entities	-20	17	20	0	35
Other Non Operating Items	298	102	292	589	483
Pre-Tax Income	**155**	**-320**	**239**	**394**	**78**

- **Revenues**
  - Very strong contribution from Principal Investments, rebounding from a low level in 2Q20
- **Operating expenses**
  - Restructuring costs[1]: -€24m (-€20m in 2Q20)
  - Additional adaptation measures – departure plans[2]: €0m (-€10m in 2Q20)
  - IT reinforcement costs: -€47m (-€45m in 2Q20)
  - Donations and staff safety measures relating to the health crisis: €0m (-€86m vs. 2Q20)
- **Other non-operating items**
  - Capital gain on the sale of shares (of which Allfunds[3] for +€300m)
  - Reminder: Capital gain on the sale of a building in 2Q20: +€83m

1. Related in particular to the restructuring of certain activities (including at CIB); 2. Related in particular to BancWest and CIB; 3. Disposal of 6.7% stake in Allfunds; BNP Paribas still holds a 15.77% stake in Allfunds

1H21 – Corporate centre

- **Revenues**
  - Very strong contribution from Principal Investments, rebounding from its low level in 1H20
  - Capital gain realised on the sale of 4.99% in SBI Life (+€58m in 1Q21)
- **Operating expenses**
  - Increase in taxes subject to IFRIC 21[1] in 1H21
  - Restructuring costs[2]: -€79m (-€58m in 1H20)
  - Additional adaptation measures – departure plans[3]: -€3m (-€18m in 1H20)
  - IT reinforcement costs: -€66m (-€79m in 1H20)
  - Donations and staff safety measures relating to the health crisis: €0m (-€86m in 1H20)
- **Other non-operating items**
  - Capital gains on the sale of buildings (exceptional item): +€302m (+€464m in 1H20)
  - Capital gain on the sale of shares (of which Allfunds[4] for +€300m (exceptional item))

1. Booking in 1Q of almost the entire amount of taxes and contributions for the year, based on the application of IFRIC 21 "Taxes", including the contribution to the Single Resolution Fund; 2. Related in particular to the restructuring of certain activities (including at CIB); 3. Related in particular to BancWest and CIB; 4. Disposal of 6.7% stake in Allfunds; BNP Paribas still holds a 15.77% stake in Allfunds

BNP PARIBAS

GROUP RESULTS

DIVISION RESULTS

CONCLUSION

1H21 DETAILED RESULTS

APPENDICES

Number of Shares and Earnings per Share

Number of Shares

in millions	30-Jun-21	30-Jun-20
Number of Shares (end of period)	1,250	1,250
Number of Shares excluding Treasury Shares (end of period)	1,249	1,248
Average number of Shares outstanding excluding Treasury Shares	1,248	1,248

Earnings per Share

in millions	30-Jun-21	30-Jun-20
Average number of Shares outstanding excluding Treasury Shares	**1,248**	**1,248**
Net income attributable to equity holders	4,679	3,581
Remuneration net of tax of Undated Super Subordinated Notes	-217	-229
Exchange rate effect on reimbursed Undated Super Subordinated Notes	-18	0
Net income attributable to equity holders, after remuneration and exchange rate effect on Undated Super Subordinated Notes	**4,444**	**3,352**
Net Earnings per Share (EPS) in euros	**3.56**	**2.69**

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Capital Ratios and Book Value Per Share

Capital Ratios

	30-Jun-21	31-Dec-20	30-Jun-20
Total Capital Ratio (a)	16.5%	16.4%	15.9%
Tier 1 Ratio (a)	14.2%	14.2%	13.9%
Common equity Tier 1 ratio (a)	12.9%	12.8%	12.4%

(a) CRD4, on risk-weighted assets of €705bn as at 30.06.21, €696bn as at 31.12.20 and €696bn as at 30.06.20; refer to slide 78

Book value per Share

in millions of euros	30-Jun-21	30-Jun-20	
Shareholders' Equity Group share	**115,991**	**111,469**	(1)
of which changes in assets and liabilities recognised directly in equity (valuation reserve)	86	1,217	
of which Undated Super Subordinated Notes	9,211	10,272	(2)
of which remuneration net of tax payable to holders of Undated Super Subordinated Notes	104	121	(3)
Net Book Value (a)	**106,676**	**101,076**	(1)-(2)-(3)
Goodwill and intangibles	11,352	11,462	
Tangible Net Book Value (a)	**95,324**	**89,614**	
Number of Shares excluding Treasury Shares (end of period) in millions	**1,249**	**1,248**	
Book Value per Share (euros)	**85.4**	**81.0**	
of which book value per share excluding valuation reserve (euros)	***85.3***	***80.0***	
Net Tangible Book Value per Share (euros)	**76.3**	**71.8**	

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

Return on Equity and Permanent Shareholders' Equity

Calculation of Return on Equity

in millions of euros	30-Jun-21	30-Jun-20	
Net income Group share	**4,679**	**3,581**	(1)
Exceptional items (after tax) (a)	399	146	(2)
of which exceptonal items (not annualised)	504	243	(3)
of which IT reinforcement and restructuring costs (annualised)	-105	-98	(4)
Contribution to the Single Resolution Fund (SRF) and levies after tax	-1,265	-1,090	(5)
Net income Group share, not revaluated (exceptional items, contribution to SRF and taxes not annualised) (b)	**10,329**	**8,203**	(6)
Remuneration net of tax of Undated Super Subordinated Notes and exchange effect	-429	-458	
Impact of annualised IT reinforcement and restructuring costs	-210	-196	
Net income Group share used for the calculation of ROE/ROTE (c)	**9,690**	**7,551**	
Average permanent shareholders' equity, not revaluated, used for the ROE calculation (d)	**102,589**	**98,523**	
Return on Equity (ROE)	**9.4%**	**7.7%**	
Average tangible permanent shareholders' equity, not revaluated, used for the ROTE calculation (e)	**91,217**	**86,957**	
Return on Tangible Equity (ROTE)	**10.6%**	**8.7%**	

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

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

in millions of euros	30-Jun-21	30-Jun-20	
Net Book Value	**106,676**	**101,076**	(1)
of which changes in assets and liabilities recognised directly in equity (valuation reserve)	86	1,217	(2)
of which 2020 net income distribution project, not distibuted yet	1,936		(3)
of which 2021 dividend distribution project	4,846	3,781	(4)
Annualisation of restated result (a)	5,440	4,428	(5)
Restatement of remuneration of Undated Super Subordinated Notes for the annualised calculation	3	10	(6)
Permanent shareholders' equity, not revaluated, used for the calculation of ROE (b)	**105,251**	**100,516**	(1)-(2)-(3)-(4)+(5)+(6)
Goodwill and intangibles	11,352	11,462	
Tangible permanent shareholders' equity, not revaluated, used for the calculation of ROTE (b)	**93,899**	**89,054**	
Average permanent shareholders' equity, not revaluated, used for the ROE calculation (c)	**102,589**	**98,523**	
Average tangible permanent shareholders' equity, not revaluated, used for the ROTE calculation (d)	**91,217**	**86,957**	

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

A Solid Financial Structure

Doubtful loans vs. gross outstandings

	30-Jun-21	30-Jun-20
Doubtful loans (a) / Loans (b)	2.1%	2.2%

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

Coverage ratio

€bn	30-Jun-21	30-Jun-20
Allowance for loan losses (a)	16.8	17.6
Doubtful loans (b)	23.6	24.4
Stage 3 coverage ratio	71.3%	72.3%

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

Liquidity Coverage Ratio and Immediately available liquidity reserve

	30-Jun-21	30-Jun-20
Liquidity Coverage Ratio	132%	133%
Immediately available liquidity reserve (€bn) (a)	488	425

(a) Liquid market assets or eligible to central banks (counterbalancing capacity) taking into account prudential standards, notably US standards, minus intra-day payment systems needs

Common Equity Tier 1 ratio

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

€bn	30-Jun-21	31-Mar-21
Consolidated Equity	**120.5**	**118.4**
Undated super subordinated notes	-9.2	-9.2
2020 net income distribution project[2]	-1.9	-3.3
2021 dividend distribution project	-2.2	-0.8
Regulatory adjustments on equity[3]	-1.8	-1.0
Regulatory adjustments on minority interests	-3.0	-3.0
Goodwill and intangible assets	-10.1	-10.2
Deferred tax assets related to tax loss carry forwards	-0.4	-0.4
Other regulatory adjustments	-0.8	-0.8
Common Equity Tier One capital	**91.1**	**89.7**
Risk-weighted assets	**705**	**703**
Common Equity Tier 1 Ratio	**12.9%**	**12.8%**

1. CRD4; 2. Taking into account a distribution of 50% of 2020 net income, of which €1,385m approved at the General Meeting of 18 May 2021 and paid out of 26 May 2021; 3. Including Prudent Valuation Adjustment and IFRS 9 transitional provisions

Medium/Long Term Wholesale Funding

Continued presence in debt markets

2021 MLT wholesale funding programme[1]: €36bn

2021 MLT regulatory issuance plan[1]: ~ €17bn

- **Capital instruments: €4.5bn; €3.5bn already issued[2]**
  - Tier 2: $1.25bn priced on 19.01.21, 20 years bullet, at US Treasuries+118 bps
  - AT1: $1.25bn priced on 18.02.21, PerpNC10[3], at 4.625% (sa, 30/360)
  - Tier 2: £1bn priced on 17.05.21, 10NC5[4], at UK Gilt+165 bps
  - Tier 2: AUD250m priced on 04.06.21, 10.5NC5.5[5], at BBSW+155 bps
- **Non Preferred Senior debt: ~ €13bn; €11.5bn already issued[2]**
  - $2.25bn, priced on 06.01.21, 6NC5[6], at US Treasuries+90 bps
  - £1bn, priced on 06.01.21, long 10 years bullet, at UK Gilt+105 bps
  - €1bn, priced on 12.01.21, 9NC8[7], at mid-swap€+83 bps
  - AUD450m (Fixed and FRN), priced on 24.02.21, 6.5NC5.5[8], at BBSW+97 bps
  - CHF200m, priced on 24.02.21, 8NC7[9], at CHF mid-swap€+65 bps
  - €1.25bn, priced on 06.04.21, 6NC5[6], at mid-swap€+70 bps
  - $2.25bn, priced on 12.04.21, 11NC10[10], at US Treasuries+120 bps
  - JPY 88.5bn, priced on 14.05.21, 6NC5[6], at Yen mid-swap+55 bps
  - $1bn, priced on 23.06.21, Green 6NC5[6], at US Treasuries+80 bps
  - CHF 230m, priced on 06.07.21, Green 6NC5[6], at CHF mid-swap+53 bps
  - CAD 600m, priced on 06.07.2021, 8NC7[9], at GoC+140 bps
  - €1.6bn issued under Private Placements

The second part of the programme : ~€19bn, being done in structured products and, to a lesser extent, with securitisation and local funding

Over 85% of the regulatory issuance plan, and over 88% of the overall wholesale programme realised as of 22 July 2021

1. Subject to market conditions, indicative amounts; 2. As of 22 July 2021, trade dates for the issuances, € valuation based on FX rates on trade dates; 3. Perpetual callable on year 10 and each 5-year anniversary thereafter; 4. 10-year maturity callable on year 5 only; 5. 10.5-year maturity callable on year 5.5 only ; 6. 6-year maturity callable on year 5 only; 7. 9-year maturity callable on year 8 only; 8. 6.5-year maturity callable on year 5.5 only; 9. 8-year maturity callable on year 7 only; 10. 11-year maturity callable on year 10 only.

TLAC ratio: ~560bps above the requirement without calling on the Preferred Senior debt allowance

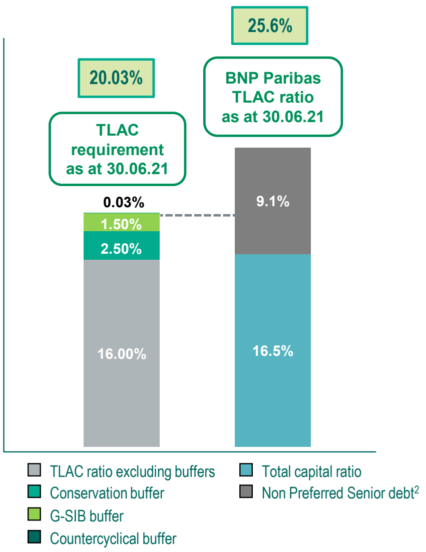
TLAC requirement as at 30.06.21: 20.03% of RWA

- Including capital conservation buffer, G-SIB buffer and countercyclical capital buffer (3 bps as of 2Q21)

TLAC requirement as at 30.06.21: 6% of leverage ratio exposure

BNP Paribas TLAC ratio as at 30.06.21[1]

- ✓ **25.6% of RWA**:
  - ✓ 16.5% total capital as at 30 June 2021
  - ✓ 9.1% of Non Preferred Senior debt[2]
  - ✓ Without calling on the Preferred Senior debt allowance
- ✓ **7.1% of leverage ratio exposure[3]**



1. In accordance with Regulation (EU) No. 575/2013 as amended by Regulation (EU) No. 2019/876, Article 72b paragraphs 3 and 4, some Preferred Senior debt instruments (amounting to 16,274 million euros as at 30 June 2021) are eligible within the limit of 2.5% of risk-weighted assets; BNP Paribas did not use this option as at 30 June 2021; 2. Principal amount outstanding and other regulatory adjustments, including amortised portion of Tier 2 instruments with residual maturity over 1 year; 3. TLAC ratio reached 7.1% of leverage ratio exposure, calculated in accordance with Regulation (EU) 2019/876, without opting for the temporary exclusion related to deposits with Eurosystem central banks authorised by the ECB decision of 18 June 2021.

Distance to MDA restrictions

Reminder: Pillar 2 is composed of:

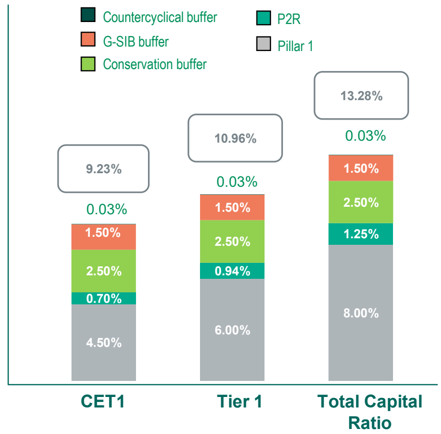
- "Pillar 2 Requirement" (public), applicable to CET1, Tier 1 and Total Capital ratios
- "Pillar 2 Guidance" (not public), not applicable for distributable amount restrictions (MDA – Maximum Distributable Amount)

Capital requirements as at 30.06.21[1]:

- CET1: 9.23%
- Tier 1: 10.96%
- Total Capital: 13.28%

Distance as at 30.06.21 to Maximum Distributable Amount restrictions[2], equal to the lowest of the 3 calculated amounts: €22.5bn

Capital requirements as at 30.06.21[1]



	CET1	Tier 1	Total Capital Ratio
BNP Paribas Capital ratios as of 30 June 2021	**12.9%**	**14.2%**	**16.5%**
Distance[3] as of 30 June 2021 to Maximum Distributable Amount restrictions[2]	**370 bps €26.1bn**	**325 bps €22.9bn**	**320 bps €22.5bn**

1. Including a countercyclical capital buffer of 3 bps; 2. As defined by the Article 141 of CRD4; 3. Calculated on the basis of RWA (€705bn) as of 30.06.21

Cost of risk by Business Unit (1/2)

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

	2018	2019	1Q20	2Q20	3Q20	4Q20	2020	1Q21	2Q21
Domestic Markets[1]									
Loan outstandings as of the beg. of the quarter (€bn)	401.3	414.0	422.1	427.2	435.5	439.0	431.0	445.0	444.2
Cost of risk (€m)	1,046	1,021	313	331	353	458	1,456	315	284
Cost of risk (in annualised bp)	26	25	30	31	32	42	34	28	26
FRB[1]									
Loan outstandings as of the beg. of the quarter (€bn)	185.2	190.4	195.1	198.7	205.3	209.5	202.2	212.5	212.9
Cost of risk (€m)	288	329	101	90	137	169	496	125	101
Cost of risk (in annualised bp)	16	17	21	18	27	32	25	24	19
BNL bc[1]									
Loan outstandings as of the beg. of the quarter (€bn)	78.6	77.2	74.8	75.7	77.5	78.6	76.6	78.9	77.5
Cost of risk (€m)	592	490	120	122	122	161	525	110	105
Cost of risk (in annualised bp)	75	64	64	64	63	82	69	56	54
BRB[1]									
Loan outstandings as of the beg. of the quarter (€bn)	106.4	113.0	117.3	118.6	118.5	116.8	117.8	117.9	118.4
Cost of risk (€m)	43	55	54	80	29	67	230	47	45
Cost of risk (in annualised bp)	4	5	18	27	10	23	19	16	15

1. With Private Banking at 100%

Cost of risk by Business Unit (2/2)

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

	2018	2019	1Q20	2Q20	3Q20	4Q20	2020	1Q21	2Q21
BancWest[1]									
Loan outstandings as of the beg. of the quarter (€bn)	51.3	55.1	55.4	58.1	56.8	52.8	55.8	49.8	51.1
Cost of risk (€m)	70	148	62	167	90	3	322	-7	8
Cost of risk (in annualised bp)	14	27	45	115	63	2	58	-5	7
Europe-Mediterranean[1]									
Loan outstandings as of the beg. of the quarter (€bn)	37.7	40.7	40.6	40.4	39.8	37.2	39.5	37.2	35.8
Cost of risk (€m)	308	399	86	143	113	95	437	39	58
Cost of risk (in annualised bp)	82	98	85	141	113	102	111	42	65
Personal Finance									
Loan outstandings as of the beg. of the quarter (€bn)	84.3	93.5	97.0	96.2	92.6	91.8	94.4	93.1	93.4
Cost of risk (€m)	1,186	1,354	582	450	383	581	1,997	321	344
Cost of risk (in annualised bp)	141	145	240	187	165	253	212	138	147
CIB - Corporate Banking									
Loan outstandings as of the beg. of the quarter (€bn)	132.6	145.6	153.1	180.6	169.2	154.6	164.4	144.7	154.0
Cost of risk (€m)	31	223	201	366	311	430	1,308	185	64
Cost of risk (in annualised bp)	2	15	52	81	73	111	80	51	17
Group[2]									
Loan outstandings as of the beg. of the quarter (€bn)	788.4	827.1	846.4	886.8	875.7	860.3	867.3	846.9	866.8
Cost of risk (€m)	2,764	3,203	1,426	1,447	1,245	1,599	5,717	896	813
Cost of risk (in annualised bp)	35	39	67	65	57	74	66	42	38

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

Risk-Weighted Assets

Basel 3 Risk-Weighted Assets[1]: €705bn as at 30.06.21 (€703bn as at 31.03.21)

The +€2bn change is mainly explained by:

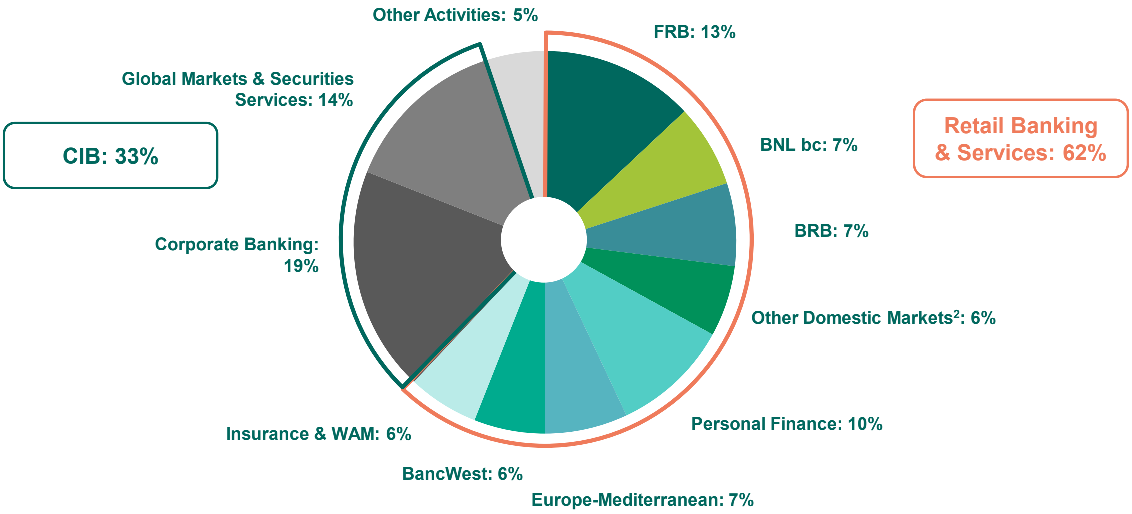
- +€15bn increase in credit risk
- -€8bn decrease in operational risk
- -€5bn decrease in market risk

€bn	30.06.21	31.03.21
Credit Risk	546	531
Operational Risk	62	70
Counterparty Risk	42	42
Market vs. Foreign exchange Risk	24	29
Securitisation positions in the banking book	13	13
Others[2]	17	19
Basel 3 RWA[1]	**705**	**703**

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

Risk-Weighted Assets by Business

Basel 3[1] risk-weighted assets by business as at 30.06.21



1. CDR 4; 2. Including Luxembourg

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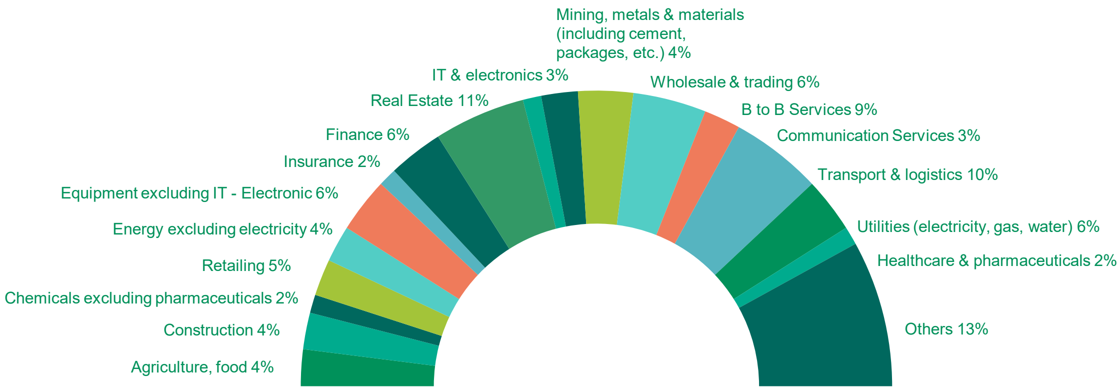
Breakdown of Commitments by Industry (Corporate Asset Class)



Total gross commitments, on and off-balance sheet, unweighted (corporate asset class) = €748bn as at 30.06.21,
or 40% of total Group exposure to credit risk (€1,884bn as at 30.06.21)

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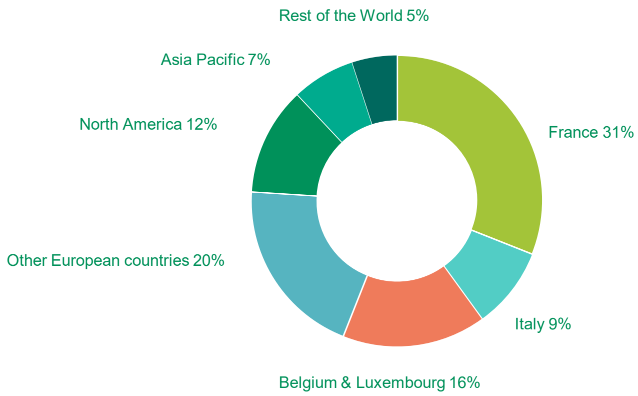
Breakdown of Commitments by Region



Total gross commitments on and off balance sheet, unweighted = €1,884bn[1] as at 30.06.21

1. Excluding Equity credit exposure class

CONSOLIDATED PROFIT AND LOSS ACCOUNT

€m	2Q21	2Q20	2Q21 / 2Q20	1Q21	2Q21 / 1Q21	1H21	1H20	1H21 / 1H20
Group								
Revenues	**11,776**	**11,675**	**+0.9%**	**11,829**	**-0.4%**	**23,605**	**22,563**	**+4.6%**
Operating Expenses and Dep.	-7,172	-7,338	-2.3%	-8,597	-16.6%	-15,769	-15,495	+1.8%
Gross Operating Income	**4,604**	**4,337**	**+6.2%**	**3,232**	**+42.5%**	**7,836**	**7,068**	**+10.9%**
Cost of Risk	-813	-1,447	-43.8%	-896	-9.2%	-1,709	-2,873	-40.5%
Operating Income	**3,791**	**2,890**	**+31.2%**	**2,336**	**+62.3%**	**6,127**	**4,195**	**+46.0%**
Share of Earnings of Equity-Method Entities	101	130	-22.2%	124	-18.4%	225	225	-0.0%
Other Non Operating Items	302	106	n.s.	363	-16.9%	665	501	+32.7%
Non Operating Items	**403**	**236**	**+70.7%**	**487**	**-17.3%**	**890**	**726**	**+22.6%**
Pre-Tax Income	**4,194**	**3,126**	**+34.2%**	**2,823**	**+48.6%**	**7,017**	**4,921**	**+42.6%**
Corporate Income Tax	-1,193	-746	+59.9%	-969	+23.1%	-2,162	-1,157	+86.9%
Net Income Attributable to Minority Interests	-90	-81	+11.1%	-86	+4.6%	-176	-183	-3.8%
Net Income Attributable to Equity Holders	**2,911**	**2,299**	**+26.6%**	**1,768**	**+64.7%**	**4,679**	**3,581**	**+30.6%**
Cost/income	**60.9%**	**62.9%**	**-2.0 pt**	**72.7%**	**-11.8 pt**	**66.8%**	**68.7%**	**-1.9 pt**

BNP Paribas' financial disclosures for the second quarter 2021 are contained in this press release and in the presentation attached herewith.
All legally required disclosures, including the Universal Registration document, are available online at http://invest.bnpparibas.com in the "Results" section and are made public by BNP Paribas pursuant to the requirements under Article L.451-1-2 of the French Monetary and Financial Code and Articles 222-1 and seq. of the Autorité des Marchés Financiers' general rules.

2Q21 – RESULTS BY CORE BUSINESSES

€m		Domestic Markets	International Financial Services	CIB	Operating Divisions	Others activities	Group
Revenues		**3,952**	**3,948**	**3,714**	**11,614**	**162**	**11,776**
	%Change2Q20	+9.7%	-2.0%	-9.9%	-1.2%	n.s.	+0.9%
	%Change1Q21	+3.6%	-2.0%	+1.2%	+0.9%	-48.3%	-0.4%
Operating Expenses and Dep.		-2,431	-2,478	-2,042	-6,951	-222	-7,172
	%Change2Q20	+2.3%	+2.6%	-8.0%	-0.8%	-32.5%	-2.3%
	%Change1Q21	-16.5%	-4.2%	-26.2%	-15.9%	-33.0%	-16.6%
Gross Operating Income		**1,522**	**1,470**	**1,672**	**4,663**	**-59**	**4,604**
	%Change2Q20	+24.1%	-8.9%	-12.2%	-1.7%	-85.4%	+6.2%
	%Change1Q21	+68.3%	+2.0%	+85.1%	+43.6%	n.s.	+42.5%
Cost of Risk		-276	-417	-57	-749	-64	-813
	%Change2Q20	-16.3%	-45.5%	-82.2%	-47.0%	+93.8%	-43.8%
	%Change1Q21	-11.5%	+16.6%	-67.0%	-10.9%	+16.5%	-9.2%
Operating Income		**1,246**	**1,053**	**1,615**	**3,914**	**-123**	**3,791**
	%Change2Q20	+38.9%	+24.3%	+1.9%	+17.6%	-71.9%	+31.2%
	%Change1Q21	n.s.	-2.8%	n.s.	+62.6%	+71.8%	+62.3%
Share of Earnings of Equity-Method Entities		-2	113	10	121	-20	101
Other Non Operating Items		3	-12	12	4	298	302
Pre-Tax Income		**1,247**	**1,154**	**1,637**	**4,039**	**155**	**4,194**
	%Change2Q20	+38.8%	+20.2%	+3.2%	+17.2%	n.s.	+34.2%
	%Change1Q21	n.s.	-7.0%	n.s.	+56.3%	-35.5%	+48.6%

€m		Domestic Markets	International Financial Services	CIB	Operating Divisions	Others activities	Group
Revenues		**3,952**	**3,948**	**3,714**	**11,614**	**162**	**11,776**
	2Q20	3,602	4,027	4,123	11,753	-78	11,675
	1Q21	3,816	4,028	3,670	11,514	314	11,829
Operating Expenses and Dep.		-2,431	-2,478	-2,042	-6,951	-222	-7,172
	2Q20	-2,376	-2,414	-2,220	-7,009	-329	-7,338
	1Q21	-2,912	-2,587	-2,767	-8,266	-331	-8,597
Gross Operating Income		**1,522**	**1,470**	**1,672**	**4,663**	**-59**	**4,604**
	2Q20	1,226	1,613	1,904	4,743	**-406**	4,337
	1Q21	904	1,441	903	3,248	**-17**	3,232
Cost of Risk		-276	-417	-57	-749	-64	-813
	2Q20	-329	-765	-319	-1,414	-33	-1,447
	1Q21	-311	-357	-172	-841	-55	-896
Operating Income		**1,246**	**1,053**	**1,615**	**3,914**	**-123**	**3,791**
	2Q20	897	848	1,585	3,329	**-439**	2,890
	1Q21	593	1,084	731	2,408	**-72**	2,336
Share of Earnings of Equity-Method Entities		-2	113	10	121	-20	101
	2Q20	1	116	-3	113	17	130
	1Q21	-5	100	9	104	20	124
Other Non Operating Items		3	-12	12	4	298	302
	2Q20	1	-3	6	4	102	106
	1Q21	3	57	11	72	292	363
Pre-Tax Income		**1,247**	**1,154**	**1,637**	**4,039**	**155**	**4,194**
	2Q20	899	960	1,587	3,446	**-320**	3,126
	1Q21	591	1,242	751	2,584	**239**	2,823
Corporate Income Tax							-1,193
Net Income Attributable to Minority Interests							-90
Net Income Attributable to Equity Holders							**2,911**

1H21 – RESULTS BY CORE BUSINESSES

€m		Domestic Markets	International Financial Services	CIB	Operating Divisions	Others activities	Group
Revenues		**7,768**	**7,976**	**7,384**	**23,128**	**477**	**23,605**
	%Change1H20	+5.6%	-1.3%	+4.4%	+2.7%	n.s.	+4.6%
Operating Expenses and Dep.		-5,343	-5,065	-4,809	-15,216	-553	-15,769
	%Change1H20	+1.6%	-2.2%	+4.3%	+1.1%	+25.0%	+1.8%
Gross Operating Income		**2,426**	**2,911**	**2,575**	**7,912**	**-76**	**7,836**
	%Change1H20	+15.6%	+0.4%	+4.5%	+6.0%	-80.7%	+10.9%
Cost of Risk		-587	-774	-229	-1,590	-119	-1,709
	%Change1H20	-8.3%	-48.5%	-66.5%	-43.8%	n.s.	-40.5%
Operating Income		**1,838**	**2,137**	**2,346**	**6,322**	**-195**	**6,127**
	%Change1H20	+26.1%	+53.1%	+31.7%	+36.4%	-55.6%	+46.0%
Share of Earnings of Equity-Method Entities		-6	213	19	225	0	225
Other Non Operating Items		7	46	23	76	589	665
Pre-Tax Income		**1,839**	**2,396**	**2,388**	**6,623**	**394**	**7,017**
	%Change1H20	+26.0%	+50.2%	+33.5%	+36.7%	n.s.	+42.6%
Corporate Income Tax							-2,162
Net Income Attributable to Minority Interests							-176
Net Income Attributable to Equity Holders							4,679

QUARTERLY SERIES

€m	2Q21	1Q21	4Q20	3Q20	2Q20	1Q20
GROUP						
Revenues	**11,776**	**11,829**	**10,827**	**10,885**	**11,675**	**10,888**
Operating Expenses and Dep.	-7,172	-8,597	-7,562	-7,137	-7,338	-8,157
Gross Operating Income	**4,604**	**3,232**	**3,265**	**3,748**	**4,337**	**2,731**
Cost of Risk	-813	-896	-1,599	-1,245	-1,447	-1,426
Operating Income	**3,791**	**2,336**	**1,666**	**2,503**	**2,890**	**1,305**
Share of Earnings of Equity-Method Entities	101	124	68	130	130	95
Other Non Operating Items	302	363	496	38	106	395
Pre-Tax Income	**4,194**	**2,823**	**2,230**	**2,671**	**3,126**	**1,795**
Corporate Income Tax	-1,193	-969	-558	-692	-746	-411
Net Income Attributable to Minority Interests	-90	-86	-80	-85	-81	-102
Net Income Attributable to Equity Holders	**2,911**	**1,768**	**1,592**	**1,894**	**2,299**	**1,282**
Cost/Income	**60.9%**	**72.7%**	**69.8%**	**65.6%**	**62.9%**	**74.9%**

€m	2Q21	1Q21	4Q20	3Q20	2Q20	1Q20
RETAIL BANKING & SERVICES Excl. PEL/CEL						
Revenues	**7,881**	**7,843**	**7,753**	**7,677**	**7,615**	**7,823**
Operating Expenses and Dep.	-4,909	-5,499	-5,089	-4,855	-4,790	-5,650
Gross Operating Income	**2,972**	**2,344**	**2,664**	**2,822**	**2,825**	**2,172**
Cost of Risk	-693	-669	-1,137	-938	-1,095	-1,050
Operating Income	**2,280**	**1,675**	**1,527**	**1,883**	**1,730**	**1,122**
Share of Earnings of Equity-Method Entities	111	96	56	111	116	74
Other Non Operating Items	-8	61	66	-5	-2	12
Pre-Tax Income	**2,382**	**1,832**	**1,649**	**1,990**	**1,845**	**1,208**
Allocated Equity (€bn, year to date)	54.6	54.9	55.3	55.6	55.8	55.8

€m	2Q21	1Q21	4Q20	3Q20	2Q20	1Q20
RETAIL BANKING & SERVICES						
Revenues	**7,900**	**7,844**	**7,753**	**7,678**	**7,630**	**7,810**
Operating Expenses and Dep.	-4,909	-5,499	-5,089	-4,855	-4,790	-5,650
Gross Operating Income	**2,992**	**2,345**	**2,664**	**2,823**	**2,840**	**2,159**
Cost of Risk	-693	-669	-1,137	-938	-1,095	-1,050
Operating Income	**2,299**	**1,676**	**1,527**	**1,885**	**1,745**	**1,109**
Share of Earnings of Equity-Method Entities	111	96	56	111	116	74
Other Non Operating Items	-8	61	66	-5	-2	12
Pre-Tax Income	**2,402**	**1,833**	**1,649**	**1,991**	**1,859**	**1,195**
Allocated Equity (€bn, year to date)	54.6	54.9	55.3	55.6	55.8	55.8

€m	2Q21	1Q21	4Q20	3Q20	2Q20	1Q20
DOMESTIC MARKETS (including 100% of PB in France, Italy, Belgium and Luxembourg) Excluding PEL/CEL Effects [1]						
Revenues	**4,076**	**3,956**	**3,976**	**3,867**	**3,721**	**3,913**
Operating Expenses and Dep.	-2,502	-2,997	-2,610	-2,543	-2,446	-2,970
Gross Operating Income	**1,574**	**959**	**1,366**	**1,324**	**1,276**	**943**
Cost of Risk	-284	-315	-458	-353	-331	-313
Operating Income	**1,291**	**644**	**908**	**971**	**944**	**630**
Share of Earnings of Equity-Method Entities	-2	-5	1	4	1	0
Other Non Operating Items	3	4	45	4	1	1
Pre-Tax Income	**1,292**	**643**	**953**	**978**	**946**	**630**
Income Attributable to Wealth and Asset Management	-64	-53	-64	-56	-62	-56
Pre-Tax Income of Domestic Markets	**1,228**	**590**	**890**	**922**	**884**	**574**
Allocated Equity (€bn, year to date)	25.7	25.8	26.2	26.3	26.1	26.0

€m	2Q21	1Q21	4Q20	3Q20	2Q20	1Q20
DOMESTIC MARKETS (including 2/3 of PB in France, Italy, Belgium and Luxembourg)						
Revenues	**3,952**	**3,816**	**3,838**	**3,735**	**3,602**	**3,757**
Operating Expenses and Dep.	-2,431	-2,912	-2,534	-2,473	-2,376	-2,885
Gross Operating Income	**1,522**	**904**	**1,304**	**1,262**	**1,226**	**872**
Cost of Risk	-276	-311	-459	-346	-329	-311
Operating Income	**1,246**	**593**	**845**	**916**	**897**	**561**
Share of Earnings of Equity-Method Entities	-2	-5	1	4	1	0
Other Non Operating Items	3	3	44	4	1	0
Pre-Tax Income	**1,247**	**591**	**890**	**924**	**899**	**561**
Allocated Equity (€bn, year to date)	25.7	25.8	26.2	26.3	26.1	26.0

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

€m	2Q21	1Q21	4Q20	3Q20	2Q20	1Q20
FRENCH RETAIL BANKING (including 100% of Private Banking in France)[1]						
Revenues	**1,607**	**1,481**	**1,516**	**1,498**	**1,423**	**1,511**
Incl. Net Interest Income	*860*	*797*	*855*	*853*	*788*	*810*
Incl. Commissions	*747*	*684*	*661*	*645*	*634*	*702*
Operating Expenses and Dep.	-1,075	-1,169	-1,126	-1,125	-1,074	-1,166
Gross Operating Income	**532**	**312**	**390**	**373**	**349**	**345**
Cost of Risk	-101	-125	-169	-137	-90	-101
Operating Income	**431**	**186**	**221**	**236**	**259**	**244**
Non Operating Items	-2	1	40	-2	0	-1
Pre-Tax Income	**429**	**187**	**261**	**235**	**259**	**244**
Income Attributable to Wealth and Asset Management	-32	-30	-36	-30	-33	-35
Pre-Tax Income of BDDF	**397**	**157**	**225**	**205**	**226**	**209**
Allocated Equity (€bn, year to date)	10.8	10.8	11.0	11.0	10.8	10.6

€m	2Q21	1Q21	4Q20	3Q20	2Q20	1Q20
FRENCH RETAIL BANKING (including 100% of Private Banking in France) Excluding PEL/CEL Effects [1]						
Revenues	**1,587**	**1,480**	**1,516**	**1,496**	**1,408**	**1,524**
Incl. Net Interest Income	*840*	*796*	*855*	*852*	*774*	*823*
Incl. Commissions	*747*	*684*	*661*	*645*	*634*	*702*
Operating Expenses and Dep.	-1,075	-1,169	-1,126	-1,125	-1,074	-1,166
Gross Operating Income	**513**	**310**	**390**	**371**	**334**	**358**
Cost of Risk	-101	-125	-169	-137	-90	-101
Operating Income	**412**	**185**	**221**	**235**	**244**	**257**
Non Operating Items	-2	1	40	-2	0	-1
Pre-Tax Income	**410**	**186**	**261**	**233**	**245**	**257**
Income Attributable to Wealth and Asset Management	-32	-30	-36	-30	-33	-35
Pre-Tax Income of BDDF	**377**	**156**	**225**	**203**	**212**	**222**
Allocated Equity (€bn, year to date)	10.8	10.8	11.0	11.0	10.8	10.6

€m	2Q21	1Q21	4Q20	3Q20	2Q20	1Q20
FRENCH RETAIL BANKING (including 2/3 of Private Banking in France)						
Revenues	**1,534**	**1,410**	**1,446**	**1,430**	**1,354**	**1,437**
Operating Expenses and Dep.	-1,041	-1,133	-1,091	-1,093	-1,040	-1,129
Gross Operating Income	**493**	**278**	**355**	**337**	**314**	**308**
Cost of Risk	-94	-121	-170	-130	-88	-99
Operating Income	**399**	**156**	**185**	**207**	**226**	**209**
Non Operating Items	-2	1	40	-2	0	-1
Pre-Tax Income	**397**	**157**	**225**	**205**	**226**	**209**
Allocated Equity (€bn, year to date)	10.8	10.8	11.0	11.0	10.8	10.6

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

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

En millions d'euros	2Q21	1Q21	2020	4Q20	3Q20	2Q20	1Q20
PEL-CEL Effects	19	1	3	0	1	15	-13

€m	2Q21	1Q21	4Q20	3Q20	2Q20	1Q20
BNL banca commerciale (Including 100% of Private Banking in Italy)[1]						
Revenues	**669**	**676**	**694**	**669**	**649**	**659**
Operating Expenses and Dep.	-435	-459	-434	-426	-422	-465
Gross Operating Income	**235**	**217**	**260**	**244**	**227**	**194**
Cost of Risk	-105	-110	-161	-122	-122	-120
Operating Income	**130**	**107**	**99**	**122**	**105**	**74**
Non Operating Items	0	0	0	0	-2	0
Pre-Tax Income	**130**	**107**	**99**	**122**	**104**	**73**
Income Attributable to Wealth and Asset Management	-10	-9	-9	-7	-9	-10
Pre-Tax Income of BNL bc	**120**	**97**	**90**	**115**	**95**	**64**
Allocated Equity (€bn, year to date)	5.3	5.5	5.3	5.3	5.3	5.3

€m	2Q21	1Q21	4Q20	3Q20	2Q20	1Q20
BNL banca commerciale (Including 2/3 of Private Banking in Italy)						
Revenues	**647**	**654**	**672**	**649**	**629**	**637**
Operating Expenses and Dep.	-422	-446	-421	-413	-410	-453
Gross Operating Income	**225**	**207**	**251**	**236**	**218**	**184**
Cost of Risk	-104	-110	-161	-121	-122	-120
Operating Income	**120**	**97**	**90**	**115**	**96**	**64**
Non Operating Items	0	0	0	0	-2	0
Pre-Tax Income	**120**	**97**	**90**	**115**	**95**	**64**
Allocated Equity (€bn, year to date)	5.3	5.5	5.3	5.3	5.3	5.3

€m	2Q21	1Q21	4Q20	3Q20	2Q20	1Q20
BELGIAN RETAIL BANKING (Including 100% of Private Banking in Belgium)[1]						
Revenues	**864**	**858**	**861**	**851**	**835**	**885**
Operating Expenses and Dep.	-488	-835	-556	-523	-499	-830
Gross Operating Income	**376**	**23**	**305**	**329**	**336**	**55**
Cost of Risk	-45	-47	-67	-29	-80	-54
Operating Income	**331**	**-24**	**238**	**300**	**256**	**0**
Share of Earnings of Equity-Method Entities	2	-3	4	7	4	4
Other Non Operating Items	4	3	6	4	2	1
Pre-Tax Income	**337**	**-24**	**247**	**311**	**262**	**5**
Income Attributable to Wealth and Asset Management	-20	-11	-17	-18	-19	-10
Pre-Tax Income of Belgian Retail Banking	**317**	**-35**	**230**	**293**	**243**	**-4**
Allocated Equity (€bn, year to date)	5.2	5.2	5.4	5.5	5.6	5.7

€m	2Q21	1Q21	4Q20	3Q20	2Q20	1Q20
BELGIAN RETAIL BANKING (Including 2/3 of Private Banking in Belgium)						
Revenues	**821**	**815**	**820**	**811**	**794**	**842**
Operating Expenses and Dep.	-466	-802	-532	-501	-477	-797
Gross Operating Income	**354**	**13**	**288**	**310**	**317**	**45**
Cost of Risk	-44	-48	-68	-28	-79	-54
Operating Income	**311**	**-34**	**221**	**282**	**237**	**-9**
Share of Earnings of Equity-Method Entities	2	-3	4	7	4	4
Other Non Operating Items	4	3	6	4	2	1
Pre-Tax Income	**317**	**-35**	**230**	**293**	**243**	**-4**
Allocated Equity (€bn, year to date)	5.2	5.2	5.4	5.5	5.6	5.7

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

€m	2Q21	1Q21	4Q20	3Q20	2Q20	1Q20
OTHER DOMESTIC MARKETS ACTIVITIES INCLUDING LUXEMBOURG (Including 100% of Private Banking in Luxembourg)[1]						
Revenues	**956**	**942**	**905**	**850**	**829**	**845**
Operating Expenses and Dep.	-505	-533	-494	-469	-451	-508
Gross Operating Income	**451**	**408**	**411**	**380**	**378**	**337**
Cost of Risk	-34	-33	-61	-66	-40	-38
Operating Income	**418**	**376**	**350**	**314**	**339**	**299**
Share of Earnings of Equity-Method Entities	-2	-2	-3	-2	-3	-4
Other Non Operating Items	0	0	-1	0	0	0
Pre-Tax Income	**415**	**374**	**346**	**312**	**336**	**295**
Income Attributable to Wealth and Asset Management	-2	-2	-1	-1	-1	-2
Pre-Tax Income of Other Domestic Markets	**414**	**372**	**345**	**311**	**335**	**293**
Allocated Equity (€bn, year to date)	4.3	4.3	4.5	4.4	4.4	4.4

€m	2Q21	1Q21	4Q20	3Q20	2Q20	1Q20
OTHER DOMESTIC MARKETS ACTIVITIES INCLUDING LUXEMBOURG (Including 2/3 of Private Banking in Luxembourg)						
Revenues	**951**	**937**	**900**	**846**	**825**	**841**
Operating Expenses and Dep.	-501	-531	-491	-466	-448	-505
Gross Operating Income	**450**	**406**	**409**	**379**	**377**	**335**
Cost of Risk	-34	-33	-60	-66	-40	-38
Operating Income	**416**	**373**	**349**	**313**	**337**	**297**
Share of Earnings of Equity-Method Entities	-2	-2	-3	-2	-3	-4
Other Non Operating Items	0	0	-1	0	0	0
Pre-Tax Income	**414**	**372**	**345**	**311**	**335**	**293**
Allocated Equity (€bn, year to date)	4.3	4.3	4.5	4.4	4.4	4.4

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

€m	2Q21	1Q21	4Q20	3Q20	2Q20	1Q20
INTERNATIONAL FINANCIAL SERVICES						
Revenues	**3,948**	**4,028**	**3,915**	**3,943**	**4,027**	**4,053**
Operating Expenses and Dep.	-2,478	-2,587	-2,555	-2,382	-2,414	-2,766
Gross Operating Income	**1,470**	**1,441**	**1,360**	**1,561**	**1,613**	**1,287**
Cost of Risk	-417	-357	-678	-592	-765	-739
Operating Income	**1,053**	**1,084**	**682**	**969**	**848**	**548**
Share of Earnings of Equity-Method Entities	113	100	56	107	116	75
Other Non Operating Items	-12	57	22	-9	-3	12
Pre-Tax Income	**1,154**	**1,242**	**759**	**1,067**	**960**	**634**
Allocated Equity (€bn, year to date)	29.0	29.0	29.2	29.3	29.8	29.8

€m	2Q21	1Q21	4Q20	3Q20	2Q20	1Q20
Personal Finance						
Revenues	**1,319**	**1,332**	**1,365**	**1,343**	**1,302**	**1,475**
Operating Expenses and Dep.	-700	-763	-687	-641	-641	-787
Gross Operating Income	**619**	**568**	**678**	**703**	**661**	**688**
Cost of Risk	-344	-321	-581	-383	-450	-582
Operating Income	**276**	**248**	**97**	**320**	**211**	**105**
Share of Earnings of Equity-Method Entities	-2	16	-4	7	-5	8
Other Non Operating Items	-9	1	-60	-11	4	0
Pre-Tax Income	**264**	**264**	**33**	**315**	**210**	**113**
Allocated Equity (€bn, year to date)	7.8	7.8	7.9	8.0	8.1	8.1

€m	2Q21	1Q21	4Q20	3Q20	2Q20	1Q20
EUROPE-MEDITERRANEAN (Including 100% of Private Banking in Turkey and Poland)[1]						
Revenues	**464**	**516**	**527**	**561**	**609**	**665**
Operating Expenses and Dep.	-394	-433	-402	-405	-414	-490
Gross Operating Income	**71**	**84**	**125**	**156**	**196**	**175**
Cost of Risk	-58	-39	-95	-113	-143	-86
Operating Income	**12**	**45**	**30**	**43**	**53**	**89**
Share of Earnings of Equity-Method Entities	77	40	33	52	53	55
Other Non Operating Items	-7	-41	18	-1	-25	3
Pre-Tax Income	**82**	**43**	**80**	**93**	**80**	**147**
Income Attributable to Wealth and Asset Management	-2	-3	-2	-2	-1	-3
Pre-Tax Income of EM	**80**	**41**	**78**	**91**	**79**	**144**
Allocated Equity (€bn, year to date)	5.0	5.1	5.1	5.2	5.3	5.3

€m	2Q21	1Q21	4Q20	3Q20	2Q20	1Q20
EUROPE-MEDITERRANEAN (Including 2/3 of Private Banking in Turkey and Poland)						
Revenues	**461**	**512**	**523**	**557**	**606**	**660**
Operating Expenses and Dep.	-392	-431	-401	-403	-411	-488
Gross Operating Income	**69**	**82**	**122**	**154**	**194**	**172**
Cost of Risk	-58	-39	-95	-113	-143	-86
Operating Income	**10**	**43**	**28**	**41**	**51**	**86**
Share of Earnings of Equity-Method Entities	77	40	33	52	53	55
Other Non Operating Items	-7	-41	18	-1	-25	3
Pre-Tax Income	**80**	**41**	**78**	**91**	**79**	**144**
Allocated Equity (€bn, year to date)	5.0	5.1	5.1	5.2	5.3	5.3

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

€m	2Q21	1Q21	4Q20	3Q20	2Q20	1Q20
BANCWEST (Including 100% of Private Banking in United States)[1]						
Revenues	**587**	**625**	**594**	**627**	**629**	**611**
Operating Expenses and Dep.	-406	-407	-423	-403	-432	-465
Gross Operating Income	**182**	**218**	**171**	**224**	**197**	**146**
Cost of Risk	-8	7	-3	-90	-167	-62
Operating Income	**173**	**224**	**168**	**134**	**30**	**83**
Share of Earnings of Equity-Method Entities	0	0	0	0	0	0
Other Non Operating Items	3	2	0	2	-3	0
Pre-Tax Income	**176**	**226**	**168**	**136**	**27**	**83**
Income Attributable to Wealth and Asset Management	-5	-7	-6	-6	-5	-5
NRBI	**171**	**219**	**162**	**130**	**22**	**78**
Allocated Equity (€bn, year to date)	5.0	5.0	5.5	5.6	5.7	5.7

€m	2Q21	1Q21	4Q20	3Q20	2Q20	1Q20
BANCWEST (Including 2/3 of Private Banking in United States)						
Revenues	**571**	**609**	**578**	**612**	**614**	**596**
Operating Expenses and Dep.	-395	-398	-413	-394	-422	-455
Gross Operating Income	**176**	**211**	**165**	**218**	**192**	**141**
Cost of Risk	-8	7	-3	-90	-167	-62
Operating Income	**168**	**217**	**162**	**128**	**25**	**78**
Non Operating Items	3	2	0	2	-3	0
Pre-Tax Income	**171**	**219**	**162**	**130**	**22**	**78**
Allocated Equity (€bn, year to date)	5.0	5.0	5.5	5.6	5.7	5.7

€m	2Q21	1Q21	4Q20	3Q20	2Q20	1Q20
Insurance						
Revenues	**767**	**792**	**622**	**697**	**828**	**579**
Operating Expenses and Dep.	-367	-383	-385	-347	-339	-393
Gross Operating Income	**399**	**409**	**237**	**350**	**489**	**186**
Cost of Risk	-1	0	0	0	-2	1
Operating Income	**399**	**409**	**237**	**350**	**487**	**187**
Share of Earnings of Equity-Method Entities	25	33	16	35	39	1
Other Non Operating Items	0	0	0	0	21	9
Pre-Tax Income	**424**	**442**	**253**	**384**	**548**	**197**
Allocated Equity (€bn, year to date)	9.1	9.0	8.6	8.6	8.5	8.6

€m	2Q21	1Q21	4Q20	3Q20	2Q20	1Q20
WEALTH AND ASSET MANAGEMENT						
Revenues	**830**	**784**	**826**	**734**	**678**	**743**
Operating Expenses and Dep.	-624	-612	-669	-598	-601	-642
Gross Operating Income	**206**	**172**	**157**	**136**	**77**	**101**
Cost of Risk	-6	-4	1	-6	-4	-9
Operating Income	**201**	**167**	**159**	**130**	**74**	**92**
Share of Earnings of Equity-Method Entities	13	12	11	14	28	11
Other Non Operating Items	2	96	63	1	0	0
Pre-Tax Income	**215**	**275**	**233**	**146**	**102**	**102**
Allocated Equity (€bn, year to date)	2.1	2.1	2.0	2.0	2.1	2.1

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

€m	2Q21	1Q21	4Q20	3Q20	2Q20	1Q20
CORPORATE AND INSTITUTIONAL BANKING						
Revenues	**3,714**	**3,670**	**3,315**	**3,372**	**4,123**	**2,953**
Operating Expenses and Dep.	-2,042	-2,767	-2,190	-2,117	-2,220	-2,393
Gross Operating Income	**1,672**	**903**	**1,125**	**1,255**	**1,904**	**560**
Cost of Risk	-57	-172	-432	-310	-319	-363
Operating Income	**1,615**	**731**	**692**	**945**	**1,585**	**197**
Share of Earnings of Equity-Method Entities	10	9	8	3	-3	3
Other Non Operating Items	12	11	9	7	6	2
Pre-Tax Income	**1,637**	**751**	**710**	**955**	**1,587**	**202**
Allocated Equity (€bn, year to date)	25.3	25.0	24.5	24.7	24.3	22.3

€m	2Q21	1Q21	4Q20	3Q20	2Q20	1Q20
CORPORATE BANKING						
Revenues	**1,238**	**1,243**	**1,281**	**1,118**	**1,258**	**1,070**
Operating Expenses and Dep.	-589	-755	-645	-598	-632	-748
Gross Operating Income	**649**	**488**	**636**	**520**	**627**	**321**
Cost of Risk	-64	-185	-430	-311	-366	-201
Operating Income	**585**	**303**	**206**	**209**	**261**	**121**
Non Operating Items	9	6	6	2	-2	3
Pre-Tax Income	**594**	**309**	**212**	**211**	**259**	**124**
Allocated Equity (€bn, year to date)	13.5	13.6	13.5	13.6	13.6	13.0

€m	2Q21	1Q21	4Q20	3Q20	2Q20	1Q20
GLOBAL MARKETS						
Revenues	**1,904**	**1,846**	**1,498**	**1,711**	**2,304**	**1,306**
incl. FICC	*1,148*	*1,149*	*1,002*	*1,245*	*2,013*	*1,392*
incl. Equity & Prime Services	*757*	*697*	*497*	*466*	*290*	*-87*
Operating Expenses and Dep.	-999	-1,527	-1,089	-1,065	-1,137	-1,162
Gross Operating Income	**905**	**319**	**410**	**646**	**1,167**	**143**
Cost of Risk	5	14	-2	1	45	-161
Operating Income	**910**	**333**	**407**	**647**	**1,212**	**-17**
Share of Earnings of Equity-Method Entities	5	2	2	0	-2	1
Other Non Operating Items	2	3	0	0	3	0
Pre-Tax Income	**917**	**339**	**409**	**648**	**1,214**	**-17**
Allocated Equity (€bn, year to date)	10.7	10.4	10.0	10.1	9.8	8.4

€m	2Q21	1Q21	4Q20	3Q20	2Q20	1Q20
SECURITIES SERVICES						
Revenues	**571**	**581**	**536**	**544**	**561**	**577**
Operating Expenses and Dep.	-454	-485	-457	-454	-451	-482
Gross Operating Income	**117**	**96**	**79**	**89**	**109**	**95**
Cost of Risk	2	-1	1	0	2	-2
Operating Income	**120**	**95**	**79**	**89**	**111**	**93**
Non Operating Items	6	8	9	7	3	2
Pre-Tax Income	**126**	**103**	**89**	**96**	**114**	**95**
Allocated Equity (€bn, year to date)	1.1	1.1	1.0	1.0	1.0	0.9

€m	**2Q21**	**1Q21**	**4Q20**	**3Q20**	**2Q20**	**1Q20**
CORPORATE CENTRE						
Revenues	**162**	**314**	**-241**	**-165**	**-78**	**126**
Operating Expenses and Dep.	*-222*	*-331*	*-283*	*-165*	*-329*	*-114*
'Incl. Transformation, Restructuring and Adaptation Costs	*-71*	*-77*	*-150*	*-84*	*-75*	*-79*
Gross Operating Income	**-59**	**-17**	**-524**	**-330**	**-406**	**12**
Cost of Risk	-64	-55	-29	3	-33	-13
Operating Income	**-123**	**-72**	**-554**	**-327**	**-439**	**-1**
Share of Earnings of Equity-Method Entities	-20	20	4	16	17	18
Other Non Operating Items	298	292	421	36	102	381
Pre-Tax Income	**155**	**239**	**-129**	**-275**	**-320**	**398**

Alternative performance Measures (APM) - Article 223-1 of the AMF's General Regulation

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

Methodology – Comparative analysis at constant scope and exchange rates

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

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

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

Reminder

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

Operating divisions: they consist of 3 divisions:

- Domestic Markets including: French Retail Banking (FRB), BNL banca commerciale (BNL bc), Belgium Retail Banking (BRB), Other Domestic Markets activities including Arval, Leasing Solutions, Personal Investors, Nickel and Luxembourg Retail Banking (LRB);
- International Financial Services (IFS) including: Europe-Mediterranean, BancWest, Personal Finance, Insurance, Wealth & Asset Management (WAM) that includes Asset Management, Wealth Management and Real Estate Services;
- Corporate and Institutional Banking (CIB) including: Corporate Banking, Global Markets, Securities Services.

1.3 Long term credit ratings

Long Term/Short Term Rating	**S&P**	**Fitch**	**Moody's**	**DBRS**
As at 30 April 2021	A+/A-1 (negative outlook)	AA-/F1+ (negative outlook)	Aa3/Prime-1 (stable outlook)	AA (low)/R-1 (middle) (stable outlook)
As at 30 July 2021	A+/A-1 (stable outlook)	AA-/F1+ (negative outlook)	Aa3/Prime-1 (stable outlook)	AA (low)/R-1 (middle) (stable outlook)
Date of last review	24 June 2021	12 October 2021	4 December 2020	19 July 2021

2. FINANCIAL INFORMATION AS AT 30 JUNE 2021

2.1 Consolidated financial statements as at 30 June 2021

CONSOLIDATED FINANCIAL STATEMENTS

First half 2021

Unaudited figures

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1. CONSOLIDATED FINANCIAL STATEMENTS

Prepared in accordance with IFRS as adopted by the European Union

The consolidated financial statements of the BNP Paribas Group are presented for the first halves 2021 and 2020. In accordance with Article 20.1 of Annex I of European Commission Regulation (EC) 809/2004, the consolidated financial statements for the first half 2019 are provided in the updated, registered on 31 July 2020 under number D.20-0097-A04, Universal Registration Document filed with the Autorité des marchés financiers on 3 March 2020 under number D.20-0097.

2. PROFIT AND LOSS ACCOUNT FOR THE FIRST HALF OF 2021

In millions of euros	Notes	First half 2021	First half 2020
Interest income	2.a	15,892	17,549
Interest expense	2.a	(5,069)	(6,842)
Commission income	2.b	7,288	6,722
Commission expense	2.b	(2,094)	(1,927)
Net gain on financial instruments at fair value through profit or loss	2.c	4,109	3,836
Net gain on financial instruments at fair value through equity	2.d	124	146
Net gain on derecognised financial assets at amortised cost		50	43
Net income from insurance activities	2.e	2,318	2,100
Income from other activities	2.f	7,777	6,072
Expense on other activities	2.f	(6,790)	(5,136)
REVENUES		**23,605**	**22,563**
Salary and employee benefit expense		(8,643)	(8,470)
Other operating expenses	2.g	(5,886)	(5,833)
Depreciation, amortisation and impairment of property, plant and equipment and intangible assets		(1,240)	(1,192)
GROSS OPERATING INCOME		**7,836**	**7,068**
Cost of risk	2.h	(1,709)	(2,873)
OPERATING INCOME		**6,127**	**4,195**
Share of earnings of equity-method entities		225	225
Net gain on non-current assets	2.i	665	500
Goodwill	4.l	-	1
PRE-TAX INCOME		**7,017**	**4,921**
Corporate income tax	2.j	(2,162)	(1,157)
NET INCOME		**4,855**	**3,764**
Net income attributable to minority interests		176	183
NET INCOME ATTRIBUTABLE TO EQUITY HOLDERS		**4,679**	**3,581**
Basic earnings per share	6.a	3.56	2.69
Diluted earnings per share	6.a	3.56	2.69

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

In millions of euros	First half 2021	First half 2020
Net income for the period	**4,855**	**3,764**
Changes in assets and liabilities recognised directly in equity	**615**	**(970)**
Items that are or may be reclassified to profit or loss	**(78)**	**(1,004)**
- Changes in exchange differences	850	(1,458)
- Changes in fair value of financial assets at fair value through equity		
Changes in fair value recognised in equity	*(455)*	*125*
Changes in fair value reported in net income	*(109)*	*(36)*
- Changes in fair value of investments of insurance activities		
Changes in fair value recognised in equity	*(274)*	*(262)*
Changes in fair value reported in net income	*(143)*	*(28)*
- Changes in fair value of hedging instruments		
Changes in fair value recognised in equity	*(417)*	*1,047*
Changes in fair value reported in net income	*(28)*	*(23)*
- Income tax	344	(206)
- Changes in equity-method investments	154	(163)
Items that will not be reclassified to profit or loss	**693**	**34**
- Changes in fair value of equity instruments designated as at fair value through equity	482	(170)
- Debt remeasurement effect arising from BNP Paribas Group issuer risk	(10)	327
- Remeasurement gains (losses) related to post-employment benefit plans	312	(55)
- Income tax	(102)	(61)
- Changes in equity-method investments	11	(7)
Total	**5,470**	**2,794**
- Attributable to equity shareholders	5,254	2,654
- Attributable to minority interests	216	140

4. BALANCE SHEET AT 30 JUNE 2021

In millions of euros	Notes	30 June 2021	31 December 2020
ASSETS			
Cash and balances at central banks		383,585	308,703
Financial instruments at fair value through profit or loss			
Securities	4.a	262,767	167,927
Loans and repurchase agreements	4.a	287,969	244,878
Derivative financial instruments	4.a	237,889	276,779
Derivatives used for hedging purposes		9,075	15,600
Financial assets at fair value through equity			
Debt securities	4.b	43,381	55,981
Equity securities	4.b	2,668	2,209
Financial assets at amortised cost			
Loans and advances to credit institutions	4.d	33,133	18,982
Loans and advances to customers	4.d	825,226	809,533
Debt securities	4.d	118,526	118,316
Remeasurement adjustment on interest-rate risk hedged portfolios		3,946	5,477
Financial investments of insurance activities	4.h	272,743	265,356
Current and deferred tax assets	4.j	6,298	6,559
Accrued income and other assets	4.k	132,475	140,904
Equity-method investments		6,264	6,396
Property, plant and equipment and investment property		34,506	33,499
Intangible assets		3,801	3,899
Goodwill	4.l	7,551	7,493
TOTAL ASSETS		**2,671,803**	**2,488,491**
LIABILITIES			
Deposits from central banks		4,665	1,594
Financial instruments at fair value through profit or loss			
Securities	4.a	126,230	94,263
Deposits and repurchase agreements	4.a	329,379	288,595
Issued debt securities	4.a	68,465	64,048
Derivative financial instruments	4.a	239,847	282,608
Derivatives used for hedging purposes		9,713	13,320
Financial liabilities at amortised cost			
Deposits from credit institutions	4.f	205,110	147,657
Deposits from customers	4.f	1,000,870	940,991
Debt securities	4.g	171,480	148,303
Subordinated debt	4.g	23,162	22,474
Remeasurement adjustment on interest-rate risk hedged portfolios		3,237	6,153
Current and deferred tax liabilities	4.j	3,275	3,001
Accrued expenses and other liabilities	4.k	107,891	107,846
Technical reserves and other insurance liabilities	4.i	248,502	240,741
Provisions for contingencies and charges	4.m	9,514	9,548
TOTAL LIABILITIES		**2,551,340**	**2,371,142**
EQUITY			
Share capital, additional paid-in capital and retained earnings		*111,226*	*106,228*
Net income for the period attributable to shareholders		*4,679*	*7,067*
Total capital, retained earnings and net income for the period attributable to shareholders		**115,905**	**113,295**
Changes in assets and liabilities recognised directly in equity		86	(496)
Shareholders' equity		**115,991**	**112,799**
Minority interests	6.e	**4,472**	**4,550**
TOTAL EQUITY		**120,463**	**117,349**
TOTAL LIABILITIES AND EQUITY		**2,671,803**	**2,488,491**

5. CASH FLOW STATEMENT FOR THE FIRST HALF OF 2021

In millions of euros	Notes	First half 2021	First half 2020
Pre-tax income		**7,017**	**4,921**
Non-monetary items included in pre-tax net income and other adjustments		**8,993**	**(957)**
Net depreciation/amortisation expense on property, plant and equipment and intangible assets		3,228	3,144
Impairment of goodwill and other non-current assets			1
Net addition to provisions		6,729	311
Share of earnings of equity-method entities		(225)	(225)
Net (income) from investing activities		(659)	(500)
Net (income) from financing activities		(1,252)	(971)
Other movements		1,172	(2,717)
Net increase in cash related to assets and liabilities generated by operating activities		**41,718**	**111,188**
Net increase in cash related to transactions with customers and credit institutions		96,819	177,758
Net decrease in cash related to transactions involving other financial assets and liabilities		(49,100)	(61,946)
Net decrease in cash related to transactions involving non-financial assets and liabilities		(4,856)	(3,186)
Taxes paid		(1,145)	(1,438)
NET INCREASE IN CASH AND EQUIVALENTS GENERATED BY OPERATING ACTIVITIES		**57,728**	**115,152**
Net increase (decrease) in cash related to acquisitions and disposals of consolidated entities		1,054	(31)
Net decrease related to property, plant and equipment and intangible assets		(400)	(250)
NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS RELATED TO INVESTING ACTIVITIES		**654**	**(281)**
(Decrease) increase in cash and equivalents related to transactions with shareholders		(2,606)	1,415
Increase in cash and equivalents generated by other financing activities		13,218	10,135
NET INCREASE IN CASH AND EQUIVALENTS RELATED TO FINANCING ACTIVITIES		**10,612**	**11,550**
EFFECT OF MOVEMENT IN EXCHANGE RATES ON CASH AND EQUIVALENTS		**84**	**(1,661)**
NET INCREASE IN CASH AND EQUIVALENTS		**69,078**	**124,760**
Balance of cash and equivalent accounts at the start of the period		**306,601**	**152,218**
Cash and amounts due from central banks		308,721	155,151
Due to central banks		(1,594)	(2,985)
On demand deposits with credit institutions		8,380	8,972
On demand loans from credit institutions	4.f	(8,995)	(9,072)
Deduction of receivables and accrued interest on cash and equivalents		89	152
Balance of cash and equivalent accounts at the end of the period		**375,679**	**276,978**
Cash and amounts due from central banks		383,600	281,645
Due to central banks		(4,665)	(4,374)
On demand deposits with credit institutions		9,233	10,695
On demand loans from credit institutions	4.f	(12,983)	(11,086)
Deduction of receivables and accrued interest on cash and equivalents		494	98
NET INCREASE IN CASH AND EQUIVALENTS		**69,078**	**124,760**

6. STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Capital and retained earnings				Changes in assets and liabilities recognised directly in equity that will not be reclassified to profit or loss			
In millions of euros	Share capital and additional paid-in-capital	Undated Super Subordinated Notes	Non-distributed reserves	Total	Financial assets designated as at fair value through equity	Own-credit valuation adjustment of debt securities designated as at fair value through profit or loss	Remeasurement gains (losses) related to post-employment benefits plans	Total
Capital and retained earnings at 1 January 2020	**27,070**	**8,689**	**69,549**	**105,308**	**511**	**(163)**	**160**	**508**
Appropriation of net income for 2019				-				-
Increases in capital and issues		1,609	(2)	1,607				-
Movements in own equity instruments	(22)	(26)	7	(41)				-
Remuneration on preferred shares and undated super subordinated notes			(198)	(198)				-
Change in commitments to repurchase minority shareholders' interests			(5)	(5)				-
Other movements			(1)	(1)				-
Realised gains or losses reclassified to retained earnings			1	1		(1)		(1)
Changes in assets and liabilities recognised directly in equity				-	(162)	250	(46)	42
Net income for first half of 2020			**3,581**	**3,581**				-
Capital and retained earnings at 30 June 2020	**27,048**	**10,272**	**72,932**	**110,252**	**349**	**86**	**114**	**549**
Appropriation of net income for 2019				-				-
Increases in capital and issues				-				-
Reduction or redemption of capital		(335)	(5)	(340)				-
Movements in own equity instruments	5	11	33	49				-
Remuneration on preferred shares and undated super subordinated notes			(228)	(228)				-
Movements in consolidation scope impacting minority shareholders (note 6.e)				-				-
Acquisitions of additional interests or partial sales of interests (note 6.e)			(1)	(1)				-
Change in commitments to repurchase minority shareholders' interests			(3)	(3)				-
Other movements			(1)	(1)				-
Realised gains or losses reclassified to retained earnings			81	81	(84)	3		(81)
Changes in assets and liabilities recognised directly in equity				-	196	(392)	40	(156)
Net income for second half of 2020			**3,486**	**3,486**				-
Capital and retained earnings at 31 December 2020	**27,053**	**9,948**	**76,294**	**113,295**	**461**	**(303)**	**154**	**312**
Appropriation of net income for 2020			**(1,386)**	**(1,386)**				-
Increases in capital and issues		1,026	(1)	1,025				-
Reduction or redemption of capital		(1,768)	(25)	(1,793)				-
Movements in own equity instruments	366	5	(42)	329				-
Remuneration on preferred shares and undated super subordinated notes			(213)	(213)				-
Movements in consolidation scope impacting minority shareholders (note 6.e)				-				-
Acquisitions of additional interests or partial sales of interests (note 6.e)			(11)	(11)				-
Change in commitments to repurchase minority shareholders' interests			2	2				-
Other movements			(15)	(15)				-
Realised gains or losses reclassified to retained earnings			(7)	(7)	(3)	10		7
Changes in assets and liabilities recognised directly in equity				-	452	(7)	242	687
Net income for first half of 2021			**4,679**	**4,679**				-
Capital and retained earnings at 30 June 2021	**27,419**	**9,211**	**79,275**	**115,905**	**910**	**(300)**	**396**	**1,006**

BETWEEN 1 JANUARY 2020 AND 30 JUNE 2021

Changes in assets and liabilities recognised directly in equity that may be reclassified to profit or loss					Total shareholders' equity	Minority interests *(note 6.e)*	Total equity
Exchange differences	Financial assets at fair value through equity	Financial investments of insurance activities	Derivatives used for hedging purposes	Total			
(1,902)	241	2,238	1,060	1,637	107,453	4,392	111,845
				-	**-**	**(80)**	**(80)**
				-	1,607		1,607
				-	(41)		(41)
					(198)	(1)	(199)
				-	(5)	118	113
				-	(1)	(1)	(2)
				-	-		-
(1,476)	45	(234)	696	(969)	(927)	(43)	(970)
				-	**3,581**	**183**	**3,764**
(3,378)	286	2,004	1,756	668	111,469	4,568	116,037
				-	**-**	**(4)**	**(4)**
				-			
				-	(340)		(340)
				-	49		49
				-	(228)		(228)
				-	-	5	5
				-	(1)	1	-
				-	(3)	(187)	(190)
				-	(1)	(1)	(2)
				-	-		-
(1,655)	271	230	(322)	(1,476)	(1,632)	3	(1,629)
				-	**3,486**	**165**	**3,651**
(5,033)	557	2,234	1,434	(808)	112,799	4,550	117,349
				-	**(1,386)**	**(221)**	**(1,607)**
				-	1,025	10	1,035
				-	(1,793)	(73)	(1,866)
				-	329		329
				-	(213)		(213)
				-	-	(125)	(125)
				-	(11)	37	26
				-	2	66	68
				-	(15)	12	(3)
				-	-		-
873	(419)	(284)	(282)	(112)	575	40	615
				-	**4,679**	**176**	**4,855**
(4,160)	138	1,950	1,152	(920)	115,991	4,472	120,463

7. NOTES TO THE FINANCIAL STATEMENTS

Prepared in accordance with IFRS as adopted by the European Union

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES APPLIED BY THE GROUP

1.a ACCOUNTING STANDARDS

1.a.1 APPLICABLE ACCOUNTING STANDARDS

The coronavirus outbreak characterised by the World Health Organisation as a pandemic on 11 March 2020 as well as measures introduced by governments and regulators to tackle the outbreak have affected the global supply chain as well as demand for goods and services and therefore had a significant impact on the global growth. At the same time, fiscal and monetary policies have been eased to sustain the economy.

The consolidated financial statements of BNP Paribas have been prepared on a going concern basis. The impacts of the pandemic, mitigated by all countercyclical measures such as government and financial support to customers, mainly relate to expected credit losses and asset valuation. These impacts were estimated against a background of uncertainty about the magnitude of the impact of the outbreak on local and global economies.

The consolidated financial statements of the BNP Paribas Group have been prepared in accordance with international accounting standards (International Financial Reporting Standards – IFRS), as adopted for use in the European Union[1]. Accordingly, certain provisions of IAS 39 on hedge accounting have been excluded, and certain recent texts have not yet undergone the approval process.

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34 “Interim Financial Reporting”. Some Information on the nature and extent of risks relating to financial instruments as required by IFRS 7 “Financial Instruments: Disclosures” are presented in section 3 update A03 of the Universal Registration Document. This information provides credit risk exposures and related impairments detailed by their status, performing or non-performing, by geographic area and by industry, and the detail of the loans and advances subject to moratoria or to public guarantee schemes in response to the sanitary crisis.

This information is an integral part of the notes to the BNP Paribas Group’s consolidated financial statements as at 30 June 2021.

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

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

  The announcements by public authorities in the United Kingdom, the United States and the Libors administrator (ICE BA) at the end of November 2020 changed the transition period that was initially scheduled to be completed by the end of 2021. For the GBP Libor, a synthetic Libor may be published beyond the end of 2021 for use in certain contracts known as "tough legacy" contracts. In the United States, the decision was taken to continue publishing the USD Libor until mid-2023, as a legislative solution is being sought for some asset classes, including floating-rate bonds.

  Based on the progress made in 2020, notably with the definition of a detailed plan, the Bank is confident in its operational capacity to manage the transition process of large volumes of transactions to the new benchmark rates.

  In Europe, the Eonia-€STR transition, which is purely technical in view of the fixed link between these two indices, continued, while the maintenance of Euribor on a sine die basis was confirmed.

  The reform of IBOR rates in other currencies exposes the Bank to various risks that the programme aims to manage closely. These risks include in particular:
  - change management risks, but also of litigation and conduct linked to negotiations with customers and market counterparties to amend existing contracts;
  - operational risks related to changes in the Bank's IT systems and processes;
  - economic risks in case of financial market disturbances linked to the various transitions induced by the IBOR reform;
  - valuation risks in a scenario of reduced liquidity during the transition in certain derivative market segments.

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

  In August 2020, the IASB published "Phase 2" amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 introducing several changes applicable during the effective transition to the new benchmark interest rates. These amendments allow for changes in the contractual cash flows of financial instruments resulting from the IBOR reform to be treated as a simple reset of their variable interest rate, provided, however, that such changes are made on an economically equivalent basis. They also allow the continuation of hedging relationships, subject to amending their documentation to reflect changes in hedged instruments, hedging instruments, hedged risk, and/or the method for measuring effectiveness during the transition to the new reference rates. The measures introduced in this framework also include:
  - the possibility of documenting an interest rate as a hedged risk component even if this rate is not immediately separately identifiable, provided that it can reasonably be expected to become so within 24 months;
  - the possibility of resetting cumulative fair value changes to zero in the hedge ineffectiveness test;
  - and the obligation in the framework of portfolio hedges to isolate in subgroups instruments referring to the new risk-free rates (RFR).

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

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

As at 31 December 2020, 143,964 contracts with a maturity date beyond 31 December 2021 were backed by rates covered by this reform, including 104,315 derivative contracts.

Besides, the reform led to a change in the reference overnight interest rate applied for the remuneration of collateral. This was accomplished in particular in 2020 by the clearing houses for derivatives in euro and United States dollar, leading to changes in valuation curves. The net impact of these changes on the Group accounts is non-significant.

The introduction of other standards, amendments and interpretations that are mandatory as from 1 January 2021 had no effect on the half-year financial statements as at 30 June 2020.

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

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

IFRS 17 "Insurance Contracts", issued in May 2017, will replace IFRS 4 "Insurance Contracts" and will become mandatory for annual periods beginning on or after 1 January 2023[1], after its adoption by the European Union for application in Europe.

The analysis of the standard and the identification of its effects are going on.

1.b CONSOLIDATION

1.b.1 SCOPE OF CONSOLIDATION

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

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

[1] On 25 June 2020, the IASB published "Amendments to IFRS 17" including in particular the deferral of the mandatory initial application of IFRS 17 for two years.

1.b.2 CONSOLIDATION METHODS

Exclusive control

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

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

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

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

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

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

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

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

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

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

Joint control

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

Significant influence

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

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

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

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

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

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

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

1.b.3 CONSOLIDATION RULES

- **Elimination of intragroup balances and transactions**

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

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

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

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

The same method is applied to the financial statements of enterprises located in hyperinflationary economies, after adjusting for the effects of inflation by applying a general price index.

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

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

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

1.b.4 BUSINESS COMBINATION AND MEASUREMENT OF GOODWILL

- **Business combinations**

Business combinations are accounted for using the purchase method.

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

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

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

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

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

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

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

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

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

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

- **Measurement of goodwill**

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

- Cash-generating units

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

- Testing cash-generating units for impairment

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

(1) As defined by IAS 36.

- Recoverable amount of a cash-generating unit

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

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

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

1.c TRANSLATION OF FOREIGN CURRENCY TRANSACTIONS

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

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

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

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

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

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

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

1.d.1 NET INTEREST INCOME

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

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

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

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(1) Monetary assets and liabilities are assets and liabilities to be received or paid in fixed or determinable amounts of cash.
Monetary assets and liabilities are assets and liabilities to be received or paid in fixed or determinable amounts of cash.

1.d.2 COMMISSIONS AND INCOME FROM OTHER ACTIVITIES

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

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

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

Commission

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

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

  Commissions received under financial guarantee commitments are deemed to represent the initial fair value of the commitment. The resulting liability is subsequently amortised over the term of the commitment, in Commission income;
- or at a point in time when the service is rendered, in other cases. These include, for example, distribution fees received, loan syndication fees remunerating the arrangement service, advisory fees, *etc.*

Income from other activities

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

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

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

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

1.e FINANCIAL ASSETS AND LIABILITIES

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

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

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

1.e.1 FINANCIAL ASSETS AT AMORTISED COST

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

Business model criterion

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

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

Cash flow criterion

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

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

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

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

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

The Group has developed a consistent methodology for analysing this alteration of the time value of money.

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

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

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

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

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

Recognition

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

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

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

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

Debt instruments

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

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

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

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

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

Equity instruments

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

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

1.e.3 FINANCING AND GUARANTEE COMMITMENTS

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

1.e.4 REGULATED SAVINGS AND LOAN CONTRACTS

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

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

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

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

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

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

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

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

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

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

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

General model

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

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

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

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

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

Definition of default

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

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

Credit-impaired or doubtful financial assets

Definition

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

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

Specific cases of purchased or originated credit-impaired assets

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

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

Simplified model

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

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

Significant increase in credit risk

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

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

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

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

In the context of the health crisis, the granting of moratoria that meet the criteria defined in the EBA guidelines published on 2 April 2020, and amended on 2 December 2020, has not been considered, in isolation, as an indicator of a significant increase in credit risk leading to an automatic transfer to stage 2. The granting of "private" moratoria that meet equivalent criteria to those defined in the EBA guidelines published on 2 April 2020 (i.e. granted up to 30 September 2020) has followed the same treatment. Moratoria do not trigger the counting of past-due days as long as the new schedule of payment is respected.

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

Measurement of expected credit losses

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

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

For exposures classified in stage 3, expected credit losses are measured as the value, discounted at the effective interest rate, of all cash shortfalls over the life of the financial instrument. Cash shortfalls represent the difference between the cash-flows that are due in accordance with the contract, and the cash-flows that are expected to be received.

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

Maturity

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

Probabilities of Default (PD)

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

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

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

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

Loss Given Default (LGD)

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

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

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

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

Exposure At Default (EAD)

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

Forward looking

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

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

Write-offs

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

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

Recoveries through the repossession of the collateral

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

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

Restructuring of financial assets for financial difficulties

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

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

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

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

As a reminder, in 2020, in response to the health crisis, several moratoria have been granted to clients. Those moratoria mostly consist in payment suspension of a few months, with interests that may or not continue to accrue during the suspension period. To that extent, the modification is generally considered as not substantial. The associated discount (linked to the absence of interest accruing, or interest accruing at a rate that is lower than the EIR of the loan) is thus accounted for in NBI, subject to the respect of certain criteria[1]. The moratorium is indeed, in such situation, considered as not being granted in response to the borrower encountering financial difficulties, but in response to a temporary liquidity crisis and the credit risk is not considered to have significantly increased.

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

1.e.6 COST OF RISK

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

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

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

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

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

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

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

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

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

Financial liabilities designated as at fair value through profit or loss

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

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

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

1.e.8 FINANCIAL LIABILITIES AND EQUITY INSTRUMENTS

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

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

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

Debt securities and subordinated debt

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

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

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

Equity instruments

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

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

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

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

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

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

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

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

1.e.9 HEDGE ACCOUNTING

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Hedges of net foreign currency investments in subsidiaries and branches are accounted for in the same way as cash flow hedges. Hedging instruments may be foreign exchange derivatives or any other non-derivative financial instrument.

1.e.10 DETERMINATION OF FAIR VALUE

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants in the principal market or most advantageous market, at the measurement date.

The Group determines the fair value of financial instruments either by using prices obtained directly from external data or by using valuation techniques. These valuation techniques are primarily market and income approaches encompassing generally accepted models (e.g. discounted cash flows, Black-Scholes model, and interpolation techniques). They maximize the use of observable inputs and minimize the use of unobservable inputs. They are calibrated to reflect current market conditions and valuation adjustments are applied as appropriate, when some factors such as model, liquidity and credit risks are not captured by the models or their underlying inputs but are nevertheless considered by market participants when setting the exit price.

The unit of measurement is generally the individual financial asset or financial liability but a portfolio-based measurement can be elected, subject to certain conditions. Accordingly, the Group retains this portfolio-based measurement exception to determine the fair value when some group of financial assets and financial liabilities and other contracts within the scope of the standard relating to financial instruments with substantially similar and offsetting market risks or credit risks are managed on the basis of a net exposure, in accordance with the documented risk management strategy.

Assets and liabilities measured or disclosed at fair value are categorised into the three following levels of the fair value hierarchy:

- Level 1: fair values are determined using directly quoted prices in active markets for identical assets and liabilities. Characteristics of an active market include the existence of a sufficient frequency and volume of activity and of readily available prices.
- Level 2: fair values are determined based on valuation techniques for which significant inputs are observable market data, either directly or indirectly. These techniques are regularly calibrated and the inputs are corroborated with information from active markets.
- Level 3: fair values are determined using valuation techniques for which significant inputs are unobservable or cannot be corroborated by market-based observations, due for instance to illiquidity of the instrument and significant model risk. An unobservable input is a parameter for which there are no market data available and that is therefore derived from proprietary assumptions about what other market participants would consider when assessing fair value. The assessment of whether a product is illiquid or subject to significant model risks is a matter of judgment.

The level in the fair value hierarchy within which the asset or liability is categorised in its entirety is based upon the lowest level input that is significant to the entire fair value.

For financial instruments disclosed in Level 3 of the fair value hierarchy, and marginally some instruments disclosed in Level 2, a difference between the transaction price and the fair value may arise at initial recognition. This “Day One Profit” is deferred and released to the profit and loss account over the period during which the valuation parameters are expected to remain non-observable. When parameters that were originally non-observable become observable, or when the valuation can be substantiated in comparison with recent similar transactions in an active market, the unrecognised portion of the day one profit is released to the profit and loss account.

1.e.11 DERECOGNITION OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Derecognition of financial assets

The Group derecognises all or part of a financial asset either when the contractual rights to the cash flows from the asset expire or when the Group transfers the contractual rights to the cash flows from the asset and substantially all the risks and rewards of ownership of the asset. Unless these conditions are fulfilled, the Group retains the asset in its balance sheet and recognises a liability for the obligation created as a result of the transfer of the asset.

Derecognition of financial liabilities

The Group derecognises all or part of a financial liability when the liability is extinguished in full or in part.

Repurchase agreements and securities lending/borrowing

Securities temporarily sold under repurchase agreements continue to be recognised in the Group's balance sheet in the category of securities to which they belong. The corresponding liability is recognised at amortised cost under the appropriate "Financial liabilities at amortised cost" category on the balance sheet, except in the case of repurchase agreements contracted for trading purposes, for which the corresponding liability is recognised in "Financial liabilities at fair value through profit or loss".

Securities temporarily acquired under reverse repurchase agreements are not recognised in the Group's balance sheet. The corresponding receivable is recognised at amortised cost under the appropriate "Financial assets at amortised cost" category in the balance sheet, except in the case of reverse repurchase agreements contracted for trading purposes, for which the corresponding receivable is recognised in "Financial assets at fair value through profit or loss".

Securities lending transactions do not result in derecognition of the lent securities, and securities borrowing transactions do not result in recognition of the borrowed securities on the balance sheet. In cases where the borrowed securities are subsequently sold by the Group, the obligation to deliver the borrowed securities on maturity is recognised on the balance sheet under "Financial liabilities at fair value through profit or loss".

1.e.12 OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES

A financial asset and a financial liability are offset and the net amount presented in the balance sheet if, and only if, the Group has a legally enforceable right to set off the recognised amounts, and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Repurchase agreements and derivatives that meet the two criteria set out in the accounting standard are offset in the balance sheet.

1.f ACCOUNTING STANDARDS SPECIFIC TO INSURANCE ACTIVITIES

The specific accounting policies and valuation rules relating to assets and liabilities generated by insurance contracts and financial contracts with a discretionary participation feature written by fully consolidated insurance companies are retained for the purposes of the consolidated financial statements. These policies comply with IFRS 4.

The amendment to IFRS 4 “Insurance Contracts” published by the IASB on 25 June 2020 provides the option for entities that predominantly undertake insurance activities to defer the effective date of IFRS 9 application until 1 January 2023 in line with the deferral of the mandatory application date for IFRS 17 “Insurance Contracts”.

The effect of such a deferral is that those entities may continue to report their financial statements under the existing standard IAS 39.

This temporary exemption from IFRS 9, limited to groups that predominantly undertake insurance activities according to the IASB amendment, has been extended to the insurance segment of financial conglomerates as defined by the Directive 2002/87/EC as adopted by the European Union. This exemption is subject to certain conditions, notably the absence of internal transfers of financial instruments, other than financial instruments that are measured at fair value through profit or loss, between insurance entities and other entities of the financial conglomerate.

BNP Paribas Group applies this amendment to all its insurance entities, including funds related to this activity, which will apply IAS 39 “Financial instruments: Recognition and Measurement” until 31 December 2022.

All other insurance company assets and liabilities are accounted for using the policies applied to the Group’s assets and liabilities generally, and are included in the relevant balance sheet and profit and loss account headings in the consolidated financial statements.

1.f.1 PROFIT AND LOSS ACCOUNT

Income and expenses recognised under insurance contracts issued by the group are presented in the income statement under “Net income from insurance activities”.

This heading in the income statement includes premiums earned, net gain in investment contracts with no discretionary participation feature and other services, net investment income (including income on investment property and impairment on shares and other equity instruments), technical charges related to contracts; (including policyholders surplus reserve), net charges from ceded reinsurance and external charges related to contracts (including commissions).

Other income and expenses relating to insurance activities (i.e. recorded by insurance entities) are presented in the other income statement headings according to their nature.

1.f.2 FINANCIAL INVESTMENTS OF INSURANCE ACTIVITIES

Investments of insurance activities mainly include:

- investments by insurance entities in financial instruments that are recognised in accordance with the principles of IAS 39, which include investments representing technical reserves of insurance activities and notably unit-linked contracts;
- derivative instruments with a positive fair value. Group insurance entities underwrite derivative instruments for hedging purposes;
- investment properties;
- equity method investments;
- and reinsurers' share in liabilities arising from insurance and investment contracts.

Investments in financial instruments

Financial investments held by the group's insurance entities are classified in one of the four categories provided for in IAS 39: Financial assets at fair value through profit or loss, held-to-maturity financial assets, loans and receivables and available-for-sale financial assets.

- Financial assets at fair value through profit or loss

The category of 'Financial assets at fair value through profit or loss' includes derivatives and financial assets that the Group has elected to recognise and measure at fair value through profit or loss at inception, in accordance with the option offered by IAS 39.

Financial assets may be designated at fair value through profit or loss in the following cases (in accordance with IAS 39):

– hybrid financial instruments containing one or more embedded derivatives which otherwise would have been separated and accounted for separately. An embedded derivative is such that its economic characteristics and risks are not closely related to those of the host contract;
– where using the option enables the entity to eliminate or significantly reduce a mismatch in the measurement and accounting treatment of assets and liabilities that would arise if they were to be classified in separate accounting categories;
– when the group of financial assets and/or financial liabilities is managed and measured on the basis of fair value, in accordance with a documented risk management and investment strategy.

Investments held in respect of insurance or investment contracts where the financial risk is borne by policyholders (unit-linked contracts) are recognised at fair value option through profit or loss.

When the Group measures at fair value through profit or loss investments made in respect of its insurance activities in entities over which it exercises significant influence or joint control, these investments are presented under the line "Financial assets at fair value through profit or loss" (see §1.b.2).

Financial instruments classified in this category are initially recognised at their fair value, with transaction costs being directly recognised in the income statement.
At the closing date, they are valued at their fair value.
Changes in value compared to the last valuation, income, dividends and realised gains and losses are presented under "Net income from insurance activities" and under "Net gain on financial instruments at fair value through profit or loss".

- Loans and advances

Fixed or determinable -income securities, which are not quoted in an active market, other than those for which the holder may not recover substantially all of its initial investment for reasons other than credit deterioration, are classified as "Loans and receivables" when they do not meet the conditions for classification as financial assets at fair value through profit or loss.

Loans and receivables are initially recognised at their fair value or equivalent, which generally corresponds to the net amount originally paid.
Loans and receivables are subsequently measured at amortised cost using the effective interest method and net of repayments of principal and interest.
Interest is calculated using the effective interest method, which includes interest, transaction costs and commissions included in their initial value and is presented under "Net income from insurance activities" and under sub-heading "Net gain on financial instruments at amortised cost".

Impairment losses recognised when there is objective evidence of impairment related to an event subsequent to the acquisition of the asset are presented under "Cost of risk".

- Held-to-maturity financial assets

“Held-to-maturity financial assets” include debt securities, with fixed maturity, that the Group has the intention and ability to hold until maturity.

Securities classified in this category are recognised at amortised cost using the effective interest method.

Income received on these securities is presented under “Net income from insurance activities” and under sub-heading “Net gain on financial instruments at amortised cost”. Impairment losses recognised when there is objective evidence of impairment related to an event subsequent to the acquisition of the asset are presented under “Cost of risk”.

- Available-for-sale financial assets

The category “Available-for-sale financial assets” includes debt or equity securities that do not fall within the previous three categories.

Assets included in the available-for-sale category are initially recorded at fair value, plus transaction costs where material. At the end of the reporting period, they are valued at their fair value and the changes in the latter, excluding accrued income, are presented under a specific heading of equity. On disposal of the securities, these unrealised gains or losses previously recognised in equity are reclassified in the income statement under the heading “Net income from insurance activities”.

Income recognised using the effective interest method on debt securities, dividends received and impairment (in the event of a significant or lasting decline in the value of the securities) of equity securities are presented under “Net income from insurance activities” and under section “Net gain on available-for-sale financial assets”. Impairment losses on debt securities are presented under “Cost of risk”.

Investment property

Investment property corresponds to buildings held directly by insurance companies and property companies controlled.

Investment property, except for those used for unit-linked contracts, is recognised at cost and follows the accounting methods of the assets described elsewhere.

Investment property, held in respect of unit-linked contracts, is valued at fair value or equivalent, with changes in value recognised in the income statement.

Equity method investments

Investments in entities or real estate funds over which the Group exercises significant influence or joint control and for which the equity method is applied are recognised in the line “Equity method investments”.

1.f.3 TECHNICAL RESERVES AND OTHER INSURANCE LIABILITIES

The item “Technical reserves and other insurance liabilities” includes:

- commitments to policyholders and beneficiaries of contracts, which include technical reserves for insurance contracts subject to significant insurance hazard (mortality, longevity, disability, incapacity…) and technical liabilities of investment contracts with a discretionary profit-sharing feature, falling within IFRS 4. The discretionary participation clause grants life insurance policyholders the right to receive, in addition to the guaranteed remuneration, a share of the financial results achieved;

- other insurance liabilities related to unit-linked contracts that fall within the scope of IAS 39 (i.e. investment contracts with no discretionary participating features);
- policyholders' surplus reserve;
- liabilities arising from insurance and reinsurance operations, including liabilities due to policyholders;
- financial derivative instruments of insurance activities carried at fair value through profit or loss, the fair value of which is negative. Group insurance entities underwrite derivative instruments for hedging purposes.

Financial liabilities that are not insurance liabilities (e.g. subordinated debt) fall under IAS 39. They are presented in "Financial liabilities at amortised cost".

Insurance and reinsurance contracts and investment contracts with discretionary participating features

Life insurance guarantees cover mainly death risk (term life insurance, annuities, repayment of loans or guaranteed minimum on unit-linked contracts) and, regarding borrowers' insurance, to disability, incapacity and unemployment risks.

For life insurance, technical reserves consist mainly of mathematical reserves that corresponds as a minimum, to the surrender value of contracts and surplus reserve.

The policyholders' surplus reserve also includes amounts resulting from the application of shadow accounting representing the interest of policyholders, mainly within French life insurance subsidiaries, in unrealised gains and losses on assets where the benefit paid under the policy is linked to the return on those assets. This interest is an average derived from stochastic analyses of unrealised gains and losses attributable to policyholders in various scenarios.

A capitalisation reserve is set up in individual statutory accounts of French life-insurance companies on the sale of amortisable securities in order to defer part of the net realised gain and hence maintain the yield to maturity on the portfolio of admissible assets. In the consolidated financial statements, this reserve is reclassified into "Policyholders' surplus" on the liabilities side of the consolidated balance sheet, to the extent that it is highly probable it will be used.

Non-life technical reserves consist of unearned premium reserves (corresponding to the portion of written premiums relating to future periods) and outstanding claims reserves, inclusive of claims handling costs.

At the reporting date, a liability adequacy test is performed: The level of technical reserves (net of acquisition costs outstanding) is compared to the average value of future cash flows resulting from stochastic calculations. Related adjustment to technical reserves, if any, is taken to the profit and loss account for the period.

In the event of an unrealised loss on shadow accounted assets, a policyholders' loss reserve is recognised on the assets side of the consolidated balance sheet in an amount equal to the probable deduction from the policyholders' future profit share. The recoverability of the policyholders' loss reserve is assessed prospectively, taking into account policyholders' surplus reserves recognised elsewhere, capital gains on financial assets that are not shadow accounted due to accounting elections made (held-to-maturity financial assets and property investments measured at cost) and the company's ability and intention to hold the assets carrying the unrealised loss. The policyholders' loss reserve is recognised symmetrically with the corresponding assets and shown on the assets side of the balance sheet under the line item "Accrued income and other assets".

Investment contracts with no discretionary participating features

Investment contracts with no discretionary participating features correspond mainly to unit-linked contracts that do not meet the definition of insurance and investment contracts with discretionary participating features.

Liabilities arising from unit-linked contracts are measured by reference to the fair value of the assets backing these contracts at the closing date.

1.g PROPERTY, PLANT, EQUIPMENT AND INTANGIBLE ASSETS

Property, plant and equipment and intangible assets shown in the consolidated balance sheet are composed of assets used in operations and investment property. Rights-of-use related to leased assets (see note 1.h.2) are presented by the lessee within fixed assets in the same category as similar assets held.

Assets used in operations are those used in the provision of services or for administrative purposes, and include non-property assets leased by the Group as lessor under operating leases.

Investment property comprises property assets held to generate rental income and capital gains.

Investment property is recognised at cost, with the exception of those representing insurance or investment contracts whose risk is borne by policyholders (unit-linked contracts), which are measured at fair value through profit or loss and presented in the balance sheet under “Financial investments of insurance activities” (note 1.f.2).

Property, plant and equipment and intangible assets are initially recognised at purchase price plus directly attributable costs, together with borrowing costs where a long period of construction or adaptation is required before the asset can be brought into service.

Software developed internally by the BNP Paribas Group that fulfils the criteria for capitalisation is capitalised at direct development cost, which includes external costs and the labour costs of employees directly attributable to the project.

Subsequent to initial recognition, property, plant and equipment and intangible assets are measured at cost less accumulated depreciation or amortisation and any impairment losses.

The depreciable amount of property, plant and equipment and intangible assets is calculated after deducting the residual value of the asset. Only assets leased by the Group as the lessor under operating leases are presumed to have a residual value, as the useful life of property, plant and equipment and intangible assets used in operations is generally the same as their economic life.

Property, plant and equipment and intangible assets are depreciated or amortised using the straight-line method over the useful life of the asset. Depreciation and amortisation expense is recognised in the profit and loss account under “Depreciation, amortisation and impairment of property, plant and equipment and intangible assets”.

Where an asset consists of a number of components which may require replacement at regular intervals, or which have different uses or generate economic benefits at different rates, each component is recognised separately and depreciated using a method appropriate to that component. The BNP Paribas Group has adopted the component-based approach for property used in operations and for investment property.

The depreciation periods used for office property are as follows: 80 years or 60 years for the shell (for prime and other property respectively); 30 years for facades; 20 years for general and technical installations; and 10 years for fixtures and fittings.

Software is amortised, depending on its type, over periods of no more than 8 years in the case of infrastructure developments and 3 years or 5 years in the case of software developed primarily for the purpose of providing services to customers.

Software maintenance costs are expensed as incurred. However, expenditure that is regarded as upgrading the software or extending its useful life is included in the initial acquisition or production cost.

Depreciable property, plant and equipment and intangible assets are tested for impairment if there is an indication of potential impairment at the balance sheet date. Non-depreciable assets are tested for impairment at least annually, using the same method as for goodwill allocated to cash-generating units.

If there is an indication of impairment, the new recoverable amount of the asset is compared with the carrying amount. If the asset is found to be impaired, an impairment loss is recognised in the profit and loss account. This loss is reversed in the event of a change in the estimated recoverable amount or if there is no longer an indication of impairment. Impairment losses are taken to the profit and loss account in "Depreciation, amortisation and impairment of property, plant and equipment and intangible assets".

Gains and losses on disposals of property, plant and equipment and intangible assets used in operations are recognised in the profit and loss account in "Net gain on non-current assets".

Gains and losses on disposals of investment property are recognised in the profit and loss account in "Income from other activities" or "Expense on other activities".

1.h LEASES

Group companies may either be the lessee or the lessor in a lease agreement.

1.h.1 GROUP COMPANY AS LESSOR

Leases contracted by the Group as lessor are categorised as either finance leases or operating leases.

- **Finance leases**

In a finance lease, the lessor transfers substantially all the risks and rewards of ownership of an asset to the lessee. It is treated as a loan made to the lessee to finance the purchase of the asset.

The present value of the lease payments, plus any residual value, is recognised as a receivable. The net income earned from the lease by the lessor is equal to the amount of interest on the loan, and is taken to the profit and loss account under "Interest income". The lease payments are spread over the lease term, and are allocated to reduction of the principal and to interest such that the net income reflects a constant rate of return on the net investment outstanding in the lease. The rate of interest used is the rate implicit in the lease.

Impairments of lease receivables are determined using the same principles as applied to financial assets measured at amortised cost.

- **Operating leases**

An operating lease is a lease under which substantially all the risks and rewards of ownership of an asset are not transferred to the lessee.

The asset is recognised under property, plant and equipment in the lessor's balance sheet and depreciated on a straight-line basis over its useful life. The depreciable amount excludes the residual value of the asset. The lease payments are taken to the profit and loss account in full on a straight-line basis over the lease term. Lease payments and depreciation expenses are taken to the profit and loss account under "Income from other activities" and "Expense on other activities".

1.h.2 GROUP COMPANY AS LESSEE

Lease contracts concluded by the Group, with the exception of contracts whose term is shorter than or equal to 12 months and low-value contracts, are recognised in the balance-sheet in the form of a right-of-use on the leased asset presented under fixed assets, along with the recognition of a financial liability for the rent and other payments to be made over the leasing period. The right of use assets is amortised on a straight-line basis and the financial liabilities are amortised on an actuarial basis over the lease period. Dismantling costs corresponding to specific and significant fittings and fixtures are included in the initial right-of-use estimation, in counterparty of a provision liability.

The key hypothesis used by the Group for the measurement of rights of use and lease liabilities are the following:

- the lease term corresponds to the non-cancellable period of the contract, together with periods covered by an extension option if the Group is reasonably certain to exercise this option. In France, the standard commercial lease contract is the so-called “three, six, nine” contract for which the maximum period of use is nine years, with a first non-cancellable period of three years followed by two optional extension periods of three years each; hence, depending on the assessment, the lease term can be of three, six or nine years. When investments like fittings or fixtures are performed under the contract, the lease term is aligned with their useful lifes. For tacitly renewable contracts, with or without an enforceable period, related right of use and lease liabilities are recognised based on an estimate of the reasonably foreseeable economic life of the contracts, minimal occupation period included.

- the discount rate used to measure the right of use and the lease liability is assessed for each contract as the interest rate implicit in the lease, if that rate can be readily determined, or more generally based on the incremental borrowing rate of the lessee at the date of signature. The incremental borrowing rate is determined considering the average term (duration) of the contract.

- when the contract is modified, a new assessment of the lease liability is made taking into account the new residual term of the contract, and therefore a new assessment of the right of use and the lease liability is established.

1.i NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

Where the Group decides to sell non-current assets or a group of assets and liabilities and it is highly probable that the sale will occur within 12 months, these assets are shown separately in the balance sheet, on the line “Non-current assets held for sale”. Any liabilities associated with these assets are also shown separately in the balance sheet, on the line “Liabilities associated with non-current assets held for sale”. When the Group is committed to a sale plan involving loss of control of a subsidiary and the sale is highly probable within 12 months, all the assets and liabilities of that subsidiary are classified as held for sale.

Once classified in this category, non-current assets and the group of assets and liabilities are measured at the lower of carrying amount or fair value less costs to sell.

Such assets are no longer depreciated. If an asset or group of assets and liabilities becomes impaired, an impairment loss is recognised in the profit and loss account. Impairment losses may be reversed.

Where a group of assets and liabilities held for sale represents a cash generating unit, it is categorised as a “discontinued operation”. Discontinued operations include operations that are held for sale, operations that have been shut down, and subsidiaries acquired exclusively with a view to resell.

In this case, gains and losses related to discontinued operations are shown separately in the profit and loss account, on the line “Post-tax gain/loss on discontinued operations and assets held for sale”. This line includes the post-tax profits or losses of discontinued operations, the post-tax gain or loss arising from remeasurement at fair value less costs to sell, and the post-tax gain or loss on disposal of the operation.

1.j EMPLOYEE BENEFITS

Employee benefits are classified in one of four categories:

- short-term benefits, such as salary, annual leave, incentive plans, profit-sharing and additional payments;
- long-term benefits, including compensated absences, long-service awards, and other types of cash-based deferred compensation;
- termination benefits;
- post-employment benefits, including top-up banking industry pensions and retirement bonuses in France and pension plans in other countries, some of which are operated through pension funds.

- **Short-term benefits**

The Group recognises an expense when it has used services rendered by employees in exchange for employee benefits.

- **Long-term benefits**

These are benefits, other than short-term benefits, post-employment benefits and termination benefits. This relates, in particular, to compensation deferred for more than 12 months and not linked to the BNP Paribas share price, which is accrued in the financial statements for the period in which it is earned.

The actuarial techniques used are similar to those used for defined-benefit post-employment benefits, except that the revaluation items are recognised in the profit and loss account and not in equity.

- **Termination benefits**

Termination benefits are employee benefits payable in exchange for the termination of an employee's contract as a result of either a decision by the Group to terminate a contract of employment before the legal retirement age, or a decision by an employee to accept voluntary redundancy in exchange for these benefits. Termination benefits due more than 12 months after the balance sheet date are discounted.

- **Post-employment benefits**

In accordance with IFRS, the BNP Paribas Group draws a distinction between defined-contribution plans and defined-benefit plans.

Defined-contribution plans do not give rise to an obligation for the Group and do not require a provision. The amount of the employer's contributions payable during the period is recognised as an expense.

Only defined-benefit schemes give rise to an obligation for the Group. This obligation must be measured and recognised as a liability by means of a provision.

The classification of plans into these two categories is based on the economic substance of the plan, which is reviewed to determine whether the Group has a legal or constructive obligation to pay the agreed benefits to employees.

Post-employment benefit obligations under defined-benefit plans are measured using actuarial techniques that take demographic and financial assumptions into account.

The net liability recognised with respect to post-employment benefit plans is the difference between the present value of the defined-benefit obligation and the fair value of any plan assets.

The present value of the defined-benefit obligation is measured on the basis of the actuarial assumptions applied by the Group, using the projected unit credit method. This method takes into account various parameters, specific to each country or Group entity, such as demographic assumptions, the probability that employees will leave before retirement age, salary inflation, a discount rate, and the general inflation rate.

When the value of the plan assets exceeds the amount of the obligation, an asset is recognised if it represents a future economic benefit for the Group in the form of a reduction in future contributions or a future partial refund of amounts paid into the plan.

The annual expense recognised in the profit and loss account under "Salaries and employee benefits", with respect to defined-benefit plans includes the current service cost (the rights vested by each employee during the period in return for service rendered), the net interests linked to the effect of discounting the net defined-benefit liability (asset), the past service cost arising from plan amendments or curtailments, and the effect of any plan settlements.

Remeasurements of the net defined-benefit liability (asset) are recognised in shareholders' equity and are never reclassified to profit or loss. They include actuarial gains and losses, the return on plan assets and any change in the effect of the asset ceiling (excluding amounts included in net interest on the defined-benefit liability or asset).

1.k SHARE-BASED PAYMENTS

Share-based payment transactions are payments based on shares issued by the Group, whether the transaction is settled in the form of equity or cash of which the amount is based on trends in the value of BNP Paribas shares.

- **Stock option and share award plans**

The expense related to stock option and share award plans is recognised over the vesting period, if the benefit is conditional upon the grantee's continued employment.

Stock options and share award expenses are recorded under salary and employee benefits expenses, with a corresponding adjustment to shareholders' equity. They are calculated on the basis of the overall plan value, determined at the date of grant by the Board of Directors.

In the absence of any market for these instruments, financial valuation models are used that take into account any performance conditions related to the BNP Paribas share price. The total expense of a plan is determined by multiplying the unit value per option or share awarded by the estimated number of options or shares awarded vested at the end of the vesting period, taking into account the conditions regarding the grantee's continued employment.

The only assumptions revised during the vesting period, and hence resulting in a remeasurement of the expense, are those relating to the probability that employees will leave the Group and those relating to performance conditions that are not linked to the price value of BNP Paribas shares.

- **Share price-linked cash-settled deferred compensation plans**

The expense related to these plans is recognised in the year during which the employee rendered the corresponding services.

If the payment of share-based variable compensation is explicitly subject to the employee's continued presence at the vesting date, the services are presumed to have been rendered during the vesting period and the corresponding compensation expense is recognised on a pro rata basis over that period. The expense is recognised under salary and employee benefits expenses with a corresponding liability in the balance sheet. It is revised to take into account any non-fulfilment of the continued presence or performance conditions and the change in BNP Paribas share price.

If there is no continued presence condition, the expense is not deferred, but recognised immediately with a corresponding liability in the balance sheet. This is then revised on each reporting date until settlement to take into account any performance conditions and the change in the BNP Paribas share price.

1.l PROVISIONS RECORDED UNDER LIABILITIES

Provisions recorded under liabilities (other than those relating to financial instruments, employee benefits and insurance contracts) mainly relate to restructuring, claims and litigation, fines and penalties.

A provision is recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle an obligation arising from a past event, and a reliable estimate can be made of the amount of the obligation. The amount of such obligations is discounted, where the impact of discounting is material, in order to determine the amount of the provision.

1.m CURRENT AND DEFERRED TAX

The current income tax charge is determined on the basis of the tax laws and tax rates in force in each country in which the Group operates during the period in which the income is generated.

Deferred taxes are recognised when temporary differences arise between the carrying amount of an asset or liability in the balance sheet and its tax base.

Deferred tax liabilities are recognised for all taxable temporary differences other than:

- taxable temporary differences on initial recognition of goodwill;
- taxable temporary differences on investments in enterprises under the exclusive or joint control of the Group, where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences and unused carryforwards of tax losses only to the extent that it is probable that the entity in question will generate future taxable profits against which these temporary differences and tax losses can be offset.

Deferred tax assets and liabilities are measured using the liability method, using the tax rate which is expected to apply to the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been or will have been enacted by the balance sheet date of that period. They are not discounted.

Deferred tax assets and liabilities are offset when they arise within the same tax group, they fall under the jurisdiction of a single tax authority, and there is a legal right to offset.

As regards the assessment of uncertainty over income tax treatments, the Group adopts the following approach:

- the Group assesses whether it is probable that a taxation authority will accept an uncertain tax treatment;
- any uncertainty shall be reflected when determining the taxable profit (loss) by considering either the most likely amount (having the higher probability of occurrence), or the expected value (sum of the probability-weighted amounts).

Current and deferred taxes are recognised as tax income or expenses in the profit and loss account, except for those relating to a transaction or an event directly recognised in shareholders' equity, which are also recognised in shareholders' equity. This concerns in particular the tax effect of coupons paid on financial instruments issued by the Group and qualified as equity instruments, such as Undated Super Subordinated Notes.

When tax credits on revenues from receivables and securities are used to settle corporate income tax payable for the period, the tax credits are recognised on the same line as the income to which they relate. The corresponding tax expense continues to be carried in the profit and loss account under "Corporate income tax".

1.n CASH FLOW STATEMENT

The cash and cash equivalents balance is composed of the net balance of cash accounts and accounts with central banks, and the net balance of interbank demand loans and deposits.

Changes in cash and cash equivalents related to operating activities reflect cash flows generated by the Group's operations, including those relating to financial investments of insurance activities and negotiable certificates of deposit.

Changes in cash and cash equivalents related to investing activities reflect cash flows resulting from acquisitions and disposals of subsidiaries, associates or joint ventures included in the consolidated group, as well as acquisitions and disposals of property, plant and equipment excluding investment property and property held under operating leases.

Changes in cash and cash equivalents related to financing activities reflect the cash inflows and outflows resulting from transactions with shareholders, cash flows related to bonds and subordinated debt, and debt securities (excluding negotiable certificates of deposit).

1.o USE OF ESTIMATES IN THE PREPARATION OF THE FINANCIAL STATEMENTS

Preparation of the financial statements requires managers of core businesses and corporate functions to make assumptions and estimates that are reflected in the measurement of income and expense in the profit and loss account and of assets and liabilities in the balance sheet, and in the disclosure of information in the notes to the financial statements. This requires the managers in question to exercise their judgement and to make use of information available at the date of the preparation of the financial statements when making their estimates. The actual future results from operations where managers have made use of estimates may in reality differ significantly from those estimates, mainly according to market conditions. This may have a material effect on the financial statements.

This applies in particular to:

- the analysis of the cash flow criterion for specific financial assets;
- the measurement of expected credit losses. This applies in particular to the assessment of significant increase in credit risk, the models and assumptions used to measure expected credit losses, the determination of the different economic scenarios and their weighting;
- the analysis of renegotiated loans, in order to assess whether they should be maintained on the balance-sheet or derecognised;
- the assessment of an active market, and the use of internally developed models for the measurement of the fair value of financial instruments not quoted in an active market classified in "Financial assets

at fair value through equity", or in "Financial instruments at fair value through profit or loss", whether as assets or liabilities, and more generally calculations of the fair value of financial instruments subject to a fair value disclosure requirement;

- the assumptions applied to assess the sensitivity to each type of market risk of the market value of financial instruments and the sensitivity of these valuations to the main unobservable inputs as disclosed in the notes to the financial statements;
- the appropriateness of the designation of certain derivative instruments such as cash flow hedges, and the measurement of hedge effectiveness;
- impairment tests performed on intangible assets;
- the deferred tax assets;
- the estimation of insurance technical reserves and policyholders' surplus reserves;
- the measurement of uncertainty over income tax treatments and other provisions for contingencies and charges. In particular, while investigations and litigations are ongoing, it is difficult to foresee their outcome and potential impact. Provision estimation is established by taking into account all available information at the date of the preparation of the financial statements, in particular the nature of the dispute, the underlying facts, the ongoing legal proceedings and court decisions, including those related to similar cases. The Group may also use the opinion of experts and independent legal advisers to exercise its judgement.

2. NOTES TO THE PROFIT AND LOSS ACCOUNT FOR THE FIRST HALF OF 2021

2.a NET INTEREST INCOME

The BNP Paribas Group includes in "Interest income" and "Interest expense" all income and expense calculated using the effective interest method (interest, fees and transaction costs) from financial instruments measured at amortised cost and financial instruments measured at fair value through equity.

These items also include the interest income and expense of non-trading financial instruments the characteristics of which do not allow for recognition at amortised cost or at fair value through equity, as well as of financial instruments that the Group has designated as at fair value through profit or loss. The change in fair value on financial instruments at fair value through profit or loss (excluding accrued interest) is recognised under "Net gain on financial instruments at fair value through profit or loss".

Interest income and expense on derivatives accounted for as fair value hedges are included with the revenues generated by the hedged item. Similarly, interest income and expense arising from derivatives used to hedge transactions designated as at fair value through profit or loss is allocated to the same accounts as the interest income and expense relating to the underlying transactions.

In the case of a negative interest rates related to loans and receivables or deposits from customers and credit institutions, they are accounted for in interest expense or interest income respectively.

	First half 2021			First half 2020		
In millions of euros	Income	Expense	Net	Income	Expense	Net
Financial instruments at amortised cost	**12,797**	**(3,419)**	**9,378**	**14,154**	**(4,750)**	**9,404**
Deposits, loans and borrowings	11,429	(2,441)	8,988	12,819	(3,339)	9,480
Repurchase agreements	83	(20)	63	59	(61)	(2)
Finance leases	786	(45)	741	695	(40)	655
Debt securities	499		499	581		581
Issued debt securities and subordinated debt		(913)	(913)		(1,310)	(1,310)
Financial instruments at fair value through equity	**805**	**-**	**805**	**801**	**-**	**801**
Financial instruments at fair value through profit or loss (Trading securities excluded)	**73**	**(176)**	**(103)**	**50**	**(375)**	**(325)**
Cash flow hedge instruments	**954**	**(480)**	**474**	**1,131**	**(537)**	**594**
Interest rate portfolio hedge instruments	**1,263**	**(966)**	**297**	**1,413**	**(1,149)**	**264**
Lease liabilities	**-**	**(28)**	**(28)**	**-**	**(31)**	**(31)**
Total interest income/(expense)	**15,892**	**(5,069)**	**10,823**	**17,549**	**(6,842)**	**10,707**

Interest income on individually impaired loans amounted to EUR 175 million for the first half of 2021, compared to EUR 200 million for the first half of 2020.

The Group subscribed to the new TLTRO III *(targeted longer-term refinancing operations)* programme, as modified by the Governing Council of the European Central Bank in March 2020 and in December 2020 (see note 4.f). The Group expects to achieve the lending performance thresholds that would enable it to benefit from a favourable interest rate (average rate of the deposit facility -50 basis points for the first two years, and average rate of the deposit facility for the following year). This floating interest rate is considered as a market rate as it is applicable to all financial institutions meeting the lending criteria defined by the European Central Bank. The effective interest rate of these financial liabilities is determined for each reference period, its two components (reference rate and margin) being adjustable. It corresponds to the nominal interest rate for each period. If the criteria for an increase in lending are not met by the Group, the loss in discounted future cash flows would then be immediately recognised in profit or loss.

2.b COMMISSION INCOME AND EXPENSE

In millions of euros	First half 2021			First half 2020		
	Income	Expense	Net	Income	Expense	Net
Customer transactions	2,247	(476)	1,771	2,140	(452)	1,688
Securities and derivatives transactions	1,233	(822)	411	1,162	(771)	391
Financing and guarantee commitments	601	(49)	552	559	(23)	536
Asset management and other services	2,618	(188)	2,430	2,384	(140)	2,244
Others	589	(559)	30	477	(541)	(64)
Commission income/expense	**7,288**	**(2,094)**	**5,194**	**6,722**	**(1,927)**	**4,795**
- of which net commission income related to trust and similar activities through which the Group holds or invests assets on behalf of clients, trusts, pension and personal risk funds or other institutions	*1,554*	*(124)*	*1,430*	*1,351*	*(93)*	*1,258*
- of which commission income and expense on financial instruments not measured at fair value through profit or loss	*1,599*	*(193)*	*1,406*	*1,595*	*(176)*	*1,419*

2.c NET GAIN ON FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

Net gain on financial instruments measured at fair value through profit or loss includes all profit and loss items relating to financial instruments held for trading, financial instruments that the Group has designated as at fair value through profit or loss, non-trading equity instruments that the Group did not choose to measure at fair value through equity, as well as debt instruments whose cash flows are not solely repayments of principal and interest on the principal or whose business model is not to collect cash flows nor to collect cash flows and sell the assets.

These income items include dividends on these instruments and exclude interest income and expense from financial instruments designated as at fair value through profit or loss and instruments whose cash flows are not only repayments of principal and interest on the principal or whose business model is not to collect cash flows nor to collect cash flows and sell the assets, which are presented in “Net interest income” (note 2.a).

In millions of euros	First half 2021	First half 2020
Financial instruments held for trading	**5,170**	**(2,623)**
Interest rate and credit instruments	(2,540)	3,277
Equity financial instruments	4,967	(3,239)
Foreign exchange financial instruments	1,533	685
Loans and repurchase agreements	81	(70)
Other financial instruments	1,129	(3,276)
Financial instruments designated as at fair value through profit or loss	**(1,359)**	**6,738**
Other financial instruments at fair value through profit or loss	**312**	**(248)**
Impact of hedge accounting	**(14)**	**(31)**
Fair value hedging derivatives	(1,467)	1,025
Hedged items in fair value hedge	1,453	(1,056)
Net gain on financial instruments at fair value through profit or loss	**4,109**	**3,836**

Gains and losses on financial instruments designated as at fair value through profit or loss are mainly related to instruments which changes in value may be compensated by changes in the value of economic hedging derivative financial instruments held for trading.

Net gain on financial instruments held for trading in first halves of 2021 and 2020 include a non-material amount related to the ineffective portion of cash flow hedges.

Potential sources of ineffectiveness can be the differences between hedging instruments and hedged items, notably generated by mismatches in the terms of hedged and hedging instruments, such as the frequency and timing of interest rates resetting, the frequency of payments and the discounting factors, or when hedging derivatives have a non-zero fair value at inception date of the hedging relationship. Credit valuation adjustments applied to hedging derivatives are also sources of ineffectiveness.

Cumulated changes in fair value related to discontinued cash flow hedge relationships, previously recognised in equity and included in the first half of 2021 in profit and loss accounts are not material, whether the hedged item ceased to exist or not.

2.d NET GAIN ON FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH EQUITY

In millions of euros	First half 2021	First half 2020
Net gain on debt instruments[1]	54	100
Dividend income on equity instruments	70	46
Net gain on financial instruments at fair value through equity	**124**	**146**

[1] Interest income from debt instruments is included in "Net interest income" (note 2.a), and impairment losses related to potential issuer default are included in "Cost of risk" (note 2.h).

Unrealised gains and losses on debt securities previously recorded under "Changes in assets and liabilities recognised directly in equity that may be reclassified to profit or loss" and included in the pre-tax income, amount to a gain of EUR 110 million for the first half of 30 June 2021, compared with EUR 35 million for the first half of 30 June 2020.

2.e NET INCOME FROM INSURANCE ACTIVITIES

In millions of euros	First half 2021	First half 2020
Premiums earned	14,034	9,856
Net gain from investment contracts with discretionary participation feature and other services	14	29
Net income / (expense) from financial investments	9,081	(4,527)
Technical charges related to contracts	(19,795)	(2,084)
Net charges from ceded reinsurance	(88)	(171)
External services expenses	(928)	(1,003)
Net income from insurance activities	**2,318**	**2,100**

- **Net income/(expense) from financial investments**

In millions of euros	First half 2021	First half 2020
Net gain on available-for-sale financial assets	1,752	1,586
Interest income and dividends	*1,390*	*1,424*
Additions to impairment provisions	*(3)*	*(141)*
Net disposal gains	*365*	*303*
Net gain on financial instruments at fair value through profit or loss	7,193	(6,162)
Net gain on financial instruments at amortised cost	74	38
Investment property income	68	11
Share of earnings of equity-method investments	(4)	4
Other expense	(2)	(4)
Net income / (expense) from financial investments	**9,081**	**(4,527)**

2.f NET INCOME FROM OTHER ACTIVITIES

In millions of euros	First half 2021			First half 2020		
	Income	Expense	Net	Income	Expense	Net
Net income from investment property	32	(19)	13	32	(18)	14
Net income from assets held under operating leases	6,239	(5,297)	942	5,076	(4,294)	782
Net income from property development activities	493	(438)	55	174	(136)	38
Other net income	1,013	(1,036)	(23)	790	(688)	102
Total net income from other activities	**7,777**	**(6,790)**	**987**	**6,072**	**(5,136)**	**936**

2.g OTHER OPERATING EXPENSES

In millions of euros	First half 2021	First half 2020
External services and other operating expenses	(4,155)	(4,209)
Taxes and contributions [1]	(1,731)	(1,624)
Total other operating expenses	**(5,886)**	**(5,833)**

[1] Contributions to European resolution fund, including exceptional contributions, amount to EUR 967 million for the first half of 2021 compared with EUR 760 million for the first half of 2020.

2.h COST OF RISK

The group general model for impairment described in note 1.e.5 used by the Group relies on the following two steps:

- assessing whether there has been a significant increase in credit risk since initial recognition, and
- measuring impairment allowance as either 12-month expected credit losses or lifetime expected credit loss (i.e. loss expected at maturity).

Both steps shall rely on forward looking information.

Significant increase in credit risk

The assessment of increase in credit risk is done at instrument level based on indicators and thresholds that vary depending on the nature of the exposure and the type of the counterparty.

The internal credit rating methodology used by the Group is described in chapter 5. Pillar 3 of the Universal Registration Document (section 5.4 Credit risk).

- *Wholesale (Corporates / Financial institutions / Sovereigns) and bonds*

The indicator used for assessing increase in credit risk is the internal counterparty rating of the obligor of the facility.

The deterioration in credit quality is considered significant, and the facility is therefore placed in stage 2, if the difference between the counterparty rating at origination and the one as at the reporting date is equal or superior to 3 notches (for instance, a downgrade from 4- to 5-).

The low risk expedient permitted by IFRS 9 (i.e. whereby bonds with an investment grade rating at reporting date are considered as stage 1, and bonds with a non-investment grade rating at reporting date are considered as stage 2) is used only for debt securities for which no ratings are available at acquisition date .

- *SME Corporates facilities and Retail*

As far as SME Corporates exposures are concerned, the indicator used for assessing increase in credit risk is also the internal counterparty rating of the obligor of the facility. Due to a higher volatility in the rating system applied, deterioration is considered significant, and the facility is therefore placed in stage 2, if the difference between the counterparty rating at origination and the one as at the reporting date is equal or superior to 6 notches.

For retail exposures, two alternative risk indicators of increase in credit risk can be taken into consideration:

- probability of default (PD): changes in the 1-year probability of default are considered as a reasonable approximation of changes in the lifetime probability of default. Deterioration in credit quality is considered significant, and the facility is therefore placed in stage 2, if the ratio (1 year PD at the reporting date / 1 year PD at origination) is higher than 4.
- existence of a past due within the last 12 months: in the consumer credit specialised business, the existence of a past due that has occurred within the last 12 months, even if regularised since, is considered as a significant deterioration in credit risk and the facility is therefore placed into stage 2.

Furthermore, for all portfolios (except consumer loan specialised business):

- the facility is assumed to be in stage 1 when its rating is better than or equal to 4- (or its 1 year PD is below or equal to 0.25%) at reporting date, since changes in PD related to downgrades in this zone are less material, and therefore not considered as “significant”.

- when the rating is worse than or equal to 9+ (or the 1 year PD is above 10%) at reporting date considering the Group's practice in terms of credit origination, it is considered as significantly deteriorated and therefore placed into stage 2 (as long as the facility is not credit-impaired).

As a backstop, when an asset becomes 30 days past due, the credit risk is deemed to have increased significantly since initial recognition and the asset is therefore placed into stage 2.

Forward Looking Information

The Group considers forward-looking information both when assessing significant increase in credit risk and when measuring Expected Credit Losses (ECL).

Regarding the assessment of significant increase in credit risk, beyond the rules based on the comparison of risk parameters between initial recognition and reporting date ("see *significant increase in credit risk*" section), the determination of significant increase in credit risk is supplemented by the consideration of more systemic forward looking factors (such as macroeconomic, sectorial and geographical risk drivers) that could increase the credit risk of some exposures. These factors can lead to tighten the transfer criteria into stage 2, resulting in an increase of ECL amounts for exposures deemed vulnerable to these forward looking drivers.

Regarding the measurement of expected credit losses, the Group has made the choice to use 3 macroeconomic scenarios by geographic area covering a wide range of potential future economic conditions:

- a baseline scenario, consistent with the scenario used for budgeting,
- an adverse scenario, corresponding to the scenario used quarterly in Group stress tests,
- a favourable scenario, allowing to capture situations where the economy performs better than anticipated.

The link between the macroeconomic scenarios and the ECL measurement is mainly achieved through a modelling of the probabilities of default and deformation of migration matrices based on internal rating (or risk parameter). The probabilities of default determined according to these scenarios are used to measure expected credit losses in each of these situations.

The weighting of the expected credit losses under each scenario is performed as follows:

- 50% for the baseline scenario,
- the weighting of the two alternative scenarios is computed using a relationship with the position in the credit cycle. In this approach, the adverse scenario receives a higher weight when the economy is in strong expansion than in lower growth period in anticipation of a potential downturn of the economy.

In addition, when appropriate, the ECL measurement can take into account scenarios of sale of the assets.

Macroeconomic scenarios

The three macroeconomic scenarios are defined over a three-year projection horizon. They correspond to:

- a baseline scenario which describes the most likely path of the economy over the projection horizon. This scenario is updated on a quarterly basis and is prepared by the Group Economic Research department in collaboration with various experts within the Group. Projections are designed for each key market of the Group (France, Belgium, Italy, the United States and the eurozone) using key macroeconomic variables (Gross Domestic Product - GDP - and its components, unemployment rate, consumer prices, interest rates, foreign exchange rates, oil prices, real estate prices, *etc.*) which are key drivers for modeling risk parameters used in the stress test process.

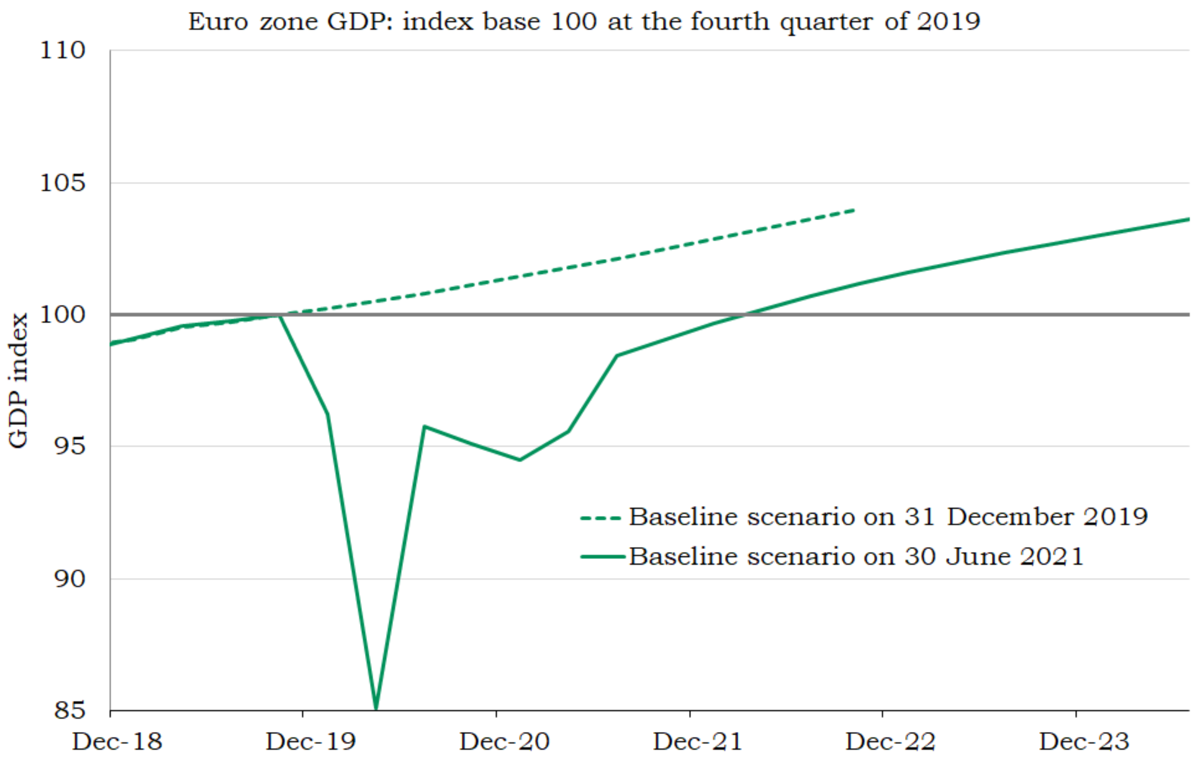
  As from 31 December 2020, in addition to the geographic breakdown, prospective parameters are detailed at sector level to better reflect the heterogeneity of economic trajectories in conjunction with lockdown measures and the partial interruption in activity;
- an adverse scenario which describes the impact of the materialisation of some of the risks weighing on the baseline scenario, resulting in a much less favourable economic path than in the baseline scenario. The starting point consists of a shock on GDP. This shock is applied with variable magnitudes, but at the same time to economies as the crisis is considered to be a global crisis. Generally, these assumptions are broadly consistent with those proposed by the regulators. The calibration of shocks on other variables (unemployment, consumer prices, interest rates) is based on models and expert judgment;
- a favourable scenario which reflects the impact of the materialisation of some of the upside risks for the economy, resulting in a much more favourable economic path. To achieve an unbiased estimation of provisions, the favourable scenario is designed in such a way that the probability of the shock on GDP growth (on average over the cycle) is equal to the probability of the corresponding shock in the adverse scenario. The magnitude of favourable GDP shocks generally corresponds to 80%-95% of the magnitude of adverse GDP shocks. Other variables (unemployment, inflation, interest rates) are defined in the same way as in the adverse scenario.
  As at 30 June 2021, the favourable shocks to activity were substantially reduced. Most of the positive events, previously included in the favourable scenario, are now included in the baseline scenario. Furthermore, any stronger-than-expected rebound compared to the central scenario would be limited by constraints on the factors of production.

Factoring the specific features of the health crisis in the baseline scenario

After a historical drop in 2020, reflecting the strict containment measures implemented by governments in response to the increase in Covid-19 cases, activity is expected to rebound sharply in 2021, reflecting (i) a mechanical catch-up, (ii) government and central bank support measures, and (iii) positive developments in terms of vaccines rollout.

As illustrated by the slight GDP decline in euro area and its sharp rise in the United States in the first quarter of 2021, the magnitude of the expected rebound will notably vary among economies on the improvement in the health situation and the magnitude of fiscal measures. After a marked improvement in 2021, the pace of growth is expected to normalise from 2022 onwards. Activity is expected to return to its pre-crisis level in the years 2021 and 2022 in most mature economies.

The graph below presents a comparison between GDP projections used in the baseline scenario for the calculation of ECLs as at 31 December 2019 and 30 June 2021.



- **Return to the 4th quarter 2019 level of GDP**

	30 June 2021
France	2nd quarter 2022
Italy	2nd quarter 2023
Belgium	2nd quarter 2022
Germany	3rd quarter 2021
Eurozone	2nd quarter 2022
United States	2nd quarter 2021

These assumptions are close to the European Central Bank's scenario of June 2021 for the eurozone, which assumes that GDP will exceed its pre-crisis level from the third quarter of 2022.

Adverse Scenario

The adverse scenario supposes the materialisation of certain risks for the economy, resulting in a much less favourable economic path than in the baseline scenario.

In the current context, the dominant risk is that the health crisis does not vanish as smoothly as expected in the baseline scenario and continues to weigh on the recovery.

Two main developments could lead to this negative outcome: a) a less favourable health crisis evolution than expected (new waves related to virus mutations or reduced vaccine effectiveness); b) a more severe economic fallout than assumed (higher unemployment and bankruptcy rates due to reduced government support measures).

The following risks appear strengthened in the context of the health crisis:

- **Extended crisis due to weaker demand**: the health crisis could trigger a more "classic", and therefore longer crisis, if it results in significant damage to the economy (e.g. higher unemployment rate, higher number of bankruptcies, *etc.*) which significantly affect domestic demand. This could notably occur when governments reduce or stop fiscal measures aimed at helping households and businesses during the crisis (e.g. job retention schemes, extended unemployment benefits, State-guaranteed loans), or if certain key sectors for a given region or country are severely impacted by the crisis (e.g. foreign tourism).
- **Pressure on financial institutions' profitability:** some borrowers may experience difficulties in their debt repayment, especially with the withdrawal or scaling back of government support measures. In addition, possible financial turbulences and extremely low interest rates might weigh on banking profitability.
- **New financial market corrections:** depending on how the health crisis evolves, additional corrections could affect some markets.
- **Tensions related to public finances:** given the extent of the contraction in activity and the amount of fiscal support provided by governments to compensate for this major shock on activity, debt-to-GDP ratios have substantially increased in some countries and will often reach unprecedented levels. Although current extremely accommodating monetary policies are limiting this risk now, a sharp deterioration in public finance metrics could lead to future tensions on the financial markets and austerity measures in certain countries. Such developments could lead to a knock-on negative effect on activity. While the euro area looks more exposed to this risk than other areas for structural reasons, the ECB has shown in recent years that it has tools to limit the magnitude of such potential shocks.
- **Further difficulties in China:** in recent years, the Chinese economy has supported global trade and activity at a global scale. However, the health crisis has slowed down this momentum. Additional difficulties cannot be excluded, either in terms of activity or on other fronts (e.g. public finances, external balances, political tensions). Given the weight of the Chinese economy, these difficulties could impact global financial markets, global trade and commodities prices.
- **Emerging markets in difficulty:** some emerging markets are suffering from domestic economic and political imbalances, the strength of the US dollar and deteriorating international relations. The health crisis could also lead to possible capital outflows as well as delays in vaccination campaigns compared with mature economies.

Other risks, not directly linked to the health crisis, were also embedded in the adverse scenario:

- **Trade risks:** disagreements between the United States and China on issues of intellectual property protection, technology transfers or industrial policies are likely to persist. Following the health crisis, the United States and other mature economies are also likely to try to become less reliant on China in some areas deemed strategic. Tensions related to trade and globalisation are therefore likely to remain or even worsen.
- **Geopolitical risks:** Middle East tensions have the potential to weigh on the global economy through shocks on commodities prices, financial markets, and business confidence.

It is assumed that these latent risks will materialise as from the third quarter of 2021, triggered by an extension of the health crisis.

Among OECD countries, GDP levels in the adverse scenario are between 8.5% and 15% (compared with 5.8% and 12% at 31 December 2020) lower than in the baseline scenario at the end of the shock period (three years), depending on the country with a deviation of almost 10% (7.1% at 31 December 2020) on average in the eurozone and slightly higher than 8% (5.8% at 31 December 2020) in the United States.

Scenario weighting and cost of risk sensitivity

At 30 June 2021, the weighting of the Group's adverse scenario is 21% (29% for the favourable scenario), versus 16% at 31 December 2020 (34% for the favourable scenario), reflecting a below average position in the credit cycle at 30 June 2021, in the context of the current health crisis and the associated lockdown measures.

The application of an equal weighting to the favourable and adverse scenarios (25%) provides an estimate of the sensitivity of the amount of expected credit losses for all financial assets at amortised cost or at fair value through equity and credit commitments. This would lead to an increase of around EUR 80 million (EUR 130 million as at 31 December 2020), or 1.5% of the expected losses. The application of these weightings does not change the classification of these facilities in the various stages at the closing date.

Adaptation of the ECL assessment process to factor in the specific nature of the health crisis:

The measurement of the impact of macroeconomic scenarios on expected credit losses has been adjusted to reflect the specificities of the current health crisis. Given the exceptional nature of the shock in the first semester of 2020 linked to the temporary lockdown measures and strong support provided by governments and central banks, macroeconomic parameters for each country or geographic area included in the pre-existing models (calibrated on past crises) have been adapted in order to extract the information on the medium-term impacts on macroeconomic environment and thus minimize excessive short-term volatility.

In the eurozone, the medium-term perspective adopted for the baseline scenario reduces the loss of income over the period; however, for an amount much lower than that of the support programmes announced by governments and the European Central Bank.

Conservative adjustments were also taken into account when the models used were based on indicators that show unusual levels in the context of the health crisis and the support programmes, such as the increase in deposits and the decrease in past due events for retail customers and entrepreneurs.

For the new loans secured by a state guarantee (mostly in France and Italy), the computation of expected credit losses has been adjusted accordingly.

For the specific business of consumer finance, projections of migration to default have been adapted in order to reflect, by country, the specific characteristics of this client segment. Furthermore, a conservative adjustment was considered for loans that have benefitted from a moratorium.

Besides, the absence of a general maturity extension scheme for individuals, notably in France, led to classify as forborne the loans that benefited from accompanying measures that were not initially provided for under the contract. However, these measures were not considered as an automatic criterion for transfer to stage 2.

- **Cost of credit risk for the period**

In millions of euros	First half 2021	First half 2020
Net allowances to impairment	(1,628)	(2,782)
Recoveries on loans and receivables previously written off	185	212
Losses on irrecoverable loans	(266)	(303)
Total cost of risk for the period	**(1,709)**	**(2,873)**

Cost of risk for the period by accounting categories and asset type

In millions of euros	First half 2021	First half 2020
Cash and balances at central banks	(2)	1
Financial instruments at fair value through profit or loss	4	(176)
Financial assets at fair value through equity	(8)	(6)
Financial assets at amortised cost	(1,569)	(2,576)
Loans and receivables	*(1,563)*	*(2,566)*
Debt securities	*(6)*	*(10)*
Other assets	16	(5)
Financing and guarantee commitments and other items	(150)	(111)
Total cost of risk for the period	**(1,709)**	**(2,873)**
Cost of risk on unimpaired assets and commitments	*(357)*	*(711)*
of which stage 1	*69*	*(453)*
of which stage 2	*(426)*	*(258)*
Cost of risk on impaired assets and commitments - stage 3	*(1,352)*	*(2,162)*

- **Credit risk impairment**

Change in impairment by accounting category and asset type during the period

In millions of euros	31 December 2020	Net allowance to impairment	Impairment provisions used	Effect of exchange rate movements and other	30 June 2021
Assets impairment					
Amounts due from central banks	17	1		(3)	15
Financial instruments at fair value through profit or loss	148	(17)		4	135
Impairment of assets at fair value through equity	132	8	(2)	1	139
Financial assets at amortised cost	21,704	1,523	(1,575)	275	21,927
Loans and receivables	*21,546*	*1,517*	*(1,575)*	*278*	*21,766*
Debt securities	*158*	*6*		*(3)*	*161*
Other assets	104	(15)	(27)		62
Total impairment of financial assets	**22,105**	**1,500**	**(1,604)**	**277**	**22,278**
of which stage 1	*2,379*	*(61)*	*(2)*	*(5)*	*2,311*
of which stage 2	*3,166*	*314*	*(3)*	*(174)*	*3,303*
of which stage 3	*16,560*	*1,247*	*(1,599)*	*456*	*16,664*
Provisions recognised as liabilities					
Provisions for commitments	964	89		6	1,059
Other provisions	383	39	(29)	17	410
Total provisions recognised for credit commitments	**1,347**	**128**	**(29)**	**23**	**1,469**
of which stage 1	*319*	*(11)*		*14*	*322*
of which stage 2	*297*	*102*		*(10)*	*389*
of which stage 3	*731*	*37*	*(29)*	*19*	*758*
Total impairment and provisions	**23,452**	**1,628**	**(1,633)**	**300**	**23,747**

Change in impairment by accounting category and asset type during the previous period

In millions of euros	31 december 2019	Net allowance to impairment	Impairment provisions used	Effect of exchange rate movements and other	30 june 2020
Assets impairment					
Amounts due from central banks	15	(1)		(1)	13
Financial instruments at fair value through profit or loss	149	176	(120)	(30)	175
Impairment of assets at fair value through equity	141	6	(11)	(3)	133
Financial assets at amortised cost	21,411	2,501	(1,157)	(277)	22,478
Loans and receivables	*21,277*	*2,491*	*(1,157)*	*(274)*	*22,337*
Debt securities	*134*	*10*		*(3)*	*141*
Other assets	90	11	(3)	1	99
Total impairment of financial assets	**21,806**	**2,693**	**(1,291)**	**(310)**	**22,898**
of which stage 1	*1,676*	*412*	*(4)*	*4*	*2,088*
of which stage 2	*3,145*	*200*	*(6)*	*(71)*	*3,268*
of which stage 3	*16,985*	*2,081*	*(1,281)*	*(243)*	*17,542*
Provisions recognised as liabilities					
Provisions for commitments	818	110		(13)	915
Other provisions	416	(21)	(24)	4	375
Total provisions recognised for credit commitments	**1,234**	**89**	**(24)**	**(9)**	**1,290**
of which stage 1	*259*	*31*		*5*	*295*
of which stage 2	*225*	*51*		*(11)*	*265*
of which stage 3	*750*	*7*	*(24)*	*(3)*	*730*
Total impairment and provisions	**23,040**	**2,782**	**(1,315)**	**(319)**	**24,188**

Change in impairment of amortised cost financial assets during the period

In millions of euros	Impairment on assets subject to 12-month Expected Credit Losses (Stage 1)	Impairment on assets subject to lifetime Expected Credit Losses (Stage 2)	Impairment on doubtful assets (Stage 3)	Total
At 31 December 2020	**2,343**	**3,142**	**16,219**	**21,704**
Net allowance to impairment	**(49)**	**305**	**1,267**	**1,523**
Financial assets purchased or originated during the period	355	134		489
Financial assets derecognised during the period [(1)]	(235)	(188)	(343)	(766)
Transfer to stage 2	(163)	1,035	(227)	645
Transfer to stage 3	(28)	(397)	1,090	665
Transfer to stage 1	78	(430)	(41)	(393)
Other allowances / reversals without stage transfer [(2)]	(56)	151	788	883
Impairment provisions used	**(2)**	**(3)**	**(1,570)**	**(1,575)**
Effect of exchange rate movements and other items	**(1)**	**(175)**	**451**	**275**
At 30 June 2021	**2,291**	**3,269**	**16,367**	**21,927**

[(1)] including disposals

[(2)] including amortisation

Change in impairment of amortised cost financial assets during the previous period

In millions of euros	Impairment on assets subject to 12-month Expected Credit Losses (Stage 1)	Impairment on assets subject to lifetime Expected Credit Losses (Stage 2)	Impairment on doubtful assets (Stage 3)	Total
At 31 December 2019	**1,641**	**3,123**	**16,647**	**21,411**
Net allowance to impairment	**410**	**199**	**1,892**	**2,501**
Financial assets purchased or originated during the period	267	222		489
Financial assets derecognised during the period (1)	(145)	(271)	(213)	(629)
Transfer to stage 2	(82)	1,081	(159)	840
Transfer to stage 3	(18)	(466)	1,333	849
Transfer to stage 1	52	(393)	(19)	(360)
Other allowances / reversals without stage transfer (2)	336	26	950	1,312
Impairment provisions used	**(1)**	**(6)**	**(1,150)**	**(1,157)**
Effect of exchange rate movements and other items	**6**	**(71)**	**(212)**	**(277)**
At 30 June 2020	**2,056**	**3,245**	**17,177**	**22,478**

(1) including disposals

(2) including amortisation

2.i NET GAIN ON NON-CURRENT ASSETS

In millions of euros	First half 2021	First half 2020
Net gain on investments in consolidated undertakings	374	19
Net gain on tangible and intangible assets	291	481
Net gain on non-current assets	**665**	**500**

The net gain on non-current assets mainly result from the partial disposal of Allfunds Group Plc for EUR 300 million in the first half of 2021, and the disposal on properties for EUR 319 million in the first half of 2021 and EUR 464 million EUR in the first half of 2020.

2.j CORPORATE INCOME TAX

In millions of euros	First half 2021	First half 2020
Net current tax expense	(1,721)	(1,089)
Net deferred tax expense	(441)	(68)
Corporate income tax expense	**(2,162)**	**(1,157)**

3. SEGMENT INFORMATION

The Group is composed of two operating divisions:

- Retail Banking and Services, which covers Domestic Markets and International Financial Services. Domestic Markets include retail banking networks in France (FRB), Italy (BNL banca commerciale), Belgium (BRB), and Luxembourg (LRB), as well as certain specialised retail banking divisions (Personal Investors, Leasing Solutions, Arval and New Digital Businesses). International Financial Services is composed of all BNP Paribas Group retail banking businesses out of the eurozone, split between Europe Mediterranean and BancWest in the United States, as well as Personal Finance and the Insurance and Wealth and Asset Management activities (Wealth Management, Asset Management and Real Estate);
- Corporate and Institutional Banking (CIB), which includes Corporate Banking (Europe, Middle East, Africa, Asia, Americas, and Corporate Finance activities), Global Markets (Fixed Income, Currency and Commodities, as well as Equity and Prime Services), and Securities Services to management companies, financial institutions and other corporations.

Other activities mainly include Principal Investments, activities related to the Group’s central treasury function, some costs related to cross-business projects, the residential mortgage lending business of Personal Finance (a significant part of which is managed in run-off), and certain investments.

They also include non-recurring items resulting from applying the rules on business combinations. In order to provide consistent and relevant economic information for each core business, the impact of amortising fair value adjustments recognised in the net equity of entities acquired and restructuring costs incurred in respect to the integration of entities, have been allocated to the “Other Activities” segment. The same applies to transformation and adaptation costs relating to the Group’s cross-business savings programmes.

Inter-segment transactions are conducted at arm’s length. The segment information presented comprises agreed inter-segment transfer prices.

The capital allocation is carried out on the basis of risk exposure, taking into account various conventions relating primarily to the capital requirement of the business as derived from the risk-weighted asset calculations required under capital adequacy rules. Normalised equity income by segment is determined by attributing to each segment the income of its allocated equity. The equity allocation to segments is based on 11 % of weighted assets. The breakdown of balance sheet by core business follows the same rules as the breakdown of the profit or loss by core business.

- **Income by business segment**

In millions of euros	First half 2021						First half 2020					
	Revenues	Operating expenses	Cost of risk	Operating income	Non-operating items	Pre-tax income	Revenues	Operating expenses	Cost of risk	Operating income	Non-operating items	Pre-tax income
Retail Banking & Services												
Domestic Markets												
French Retail Banking [(1)]	**2,944**	(2,174)	(215)	**555**	(2)	**554**	**2,792**	(2,169)	(187)	**436**	(1)	**435**
BNL banca commerciale [(1)]	**1,300**	(868)	(214)	**218**		**218**	**1,265**	(863)	(242)	**160**	(2)	**158**
Belgian Retail Banking [(1)]	**1,636**	(1,269)	(91)	**276**	6	**282**	**1,636**	(1,274)	(134)	**228**	11	**239**
Other Domestic Markets activities [(1)]	**1,888**	(1,032)	(66)	**789**	(4)	**785**	**1,666**	(953)	(78)	**634**	(7)	**627**
International Financial Services												
Personal Finance	**2,651**	(1,463)	(665)	**523**	6	**529**	**2,777**	(1,429)	(1,032)	**316**	7	**323**
International Retail Banking												
Europe-Mediterranean [(1)]	**973**	(823)	(97)	**53**	68	**121**	**1,265**	(899)	(229)	**137**	86	**223**
BancWest [(1)]	**1,180**	(793)	(2)	**385**	5	**390**	**1,209**	(877)	(229)	**103**	(3)	**100**
Insurance	**1,558**	(750)		**808**	58	**866**	**1,407**	(732)	(1)	**674**	70	**744**
Wealth and Asset Management	**1,614**	(1,236)	(10)	**368**	122	**490**	**1,422**	(1,243)	(13)	**165**	39	**204**
Corporate & Institutional Banking												
Corporate Banking	**2,481**	(1,344)	(249)	**889**	14	**903**	**2,328**	(1,380)	(567)	**381**	1	**383**
Global Markets	**3,750**	(2,526)	19	**1,243**	13	**1,256**	**3,610**	(2,299)	(116)	**1,195**	2	**1,197**
Securities Services	**1,153**	(939)	1	**215**	14	**229**	**1,138**	(933)		**205**	4	**209**
Other Activities	**477**	(553)	(119)	**(195)**	589	**394**	**48**	(442)	(46)	**(440)**	518	**78**
Total Group	**23,605**	**(15,769)**	**(1,709)**	**6,127**	**890**	**7,017**	**22,563**	**(15,495)**	**(2,873)**	**4,195**	**726**	**4,921**

(1) French Retail Banking, BNL banca commerciale, Belgian Retail Banking, Luxembourg Retail Banking, Europe-Mediterranean and BancWest after the reallocation within Wealth and Asset Management of one-third of the Wealth Management activities in France, Italy, Belgium, Luxembourg, Germany, Turkey, Poland and the United States.

- **Net commission income by business segment, including fees accounted for under « Net income from insurance activities »**

In millions of euros	First half 2021	First half 2020
Retail Banking & Services		
Domestic Markets		
French Retail Banking [1]	1,334	1,244
BNL banca commerciale [1]	526	488
Belgian Retail Banking [1]	487	436
Other Domestic Markets activities [1]	316	277
International Financial Services		
Personal Finance	390	399
International Retail Banking	403	396
Europe Mediterranean [1]	*230*	*233*
BancWest [1]	*173*	*163*
Insurance	(1,566)	(1,653)
Wealth and Asset Management	1,137	1,012
Corporate & Institutional Banking		
Corporate Banking	1,017	769
Global Markets	(444)	(224)
Securities Services	684	673
Other activities	21	(15)
Total Group	**4,308**	**3,801**

[1] French Retail Banking, BNL banca commerciale, Belgian Retail Banking, Luxembourg Retail Banking, Europe-Mediterranean and BancWest after the reallocation within Wealth and Asset Management of one-third of the Wealth Management activities in France, Italy, Belgium, Luxembourg, Germany, Turkey, Poland and the United States.

4. NOTES TO THE BALANCE SHEET AT 30 JUNE 2021

4.a FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

Financial assets and financial liabilities at fair value through profit or loss consist of held-for-trading transactions - including derivatives -, of certain liabilities designated by the Group as at fair value through profit or loss at the time of issuance and of non-trading instruments which characteristics prevent their accounting at amortised cost or at fair value through equity.

In millions of euros	30 June 2021				31 December 2020			
	Financial instruments held for trading	Financial instruments designated as at fair value through profit or loss	Other financial assets at fair value through profit or loss	Total	Financial instruments held for trading	Financial instruments designated as at fair value through profit or loss	Other financial assets at fair value through profit or loss	Total
Securities	252,889	2,354	7,524	262,767	160,632	347	6,948	167,927
Loans and repurchase agreements	286,872		1,097	287,969	243,938		940	244,878
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	**539,761**	**2,354**	**8,621**	**550,736**	**404,570**	**347**	**7,888**	**412,805**
Securities	126,230			126,230	94,263			94,263
Deposits and repurchase agreements	327,364	2,015		329,379	286,741	1,854		288,595
Issued debt securities (note 4.g)		68,465		68,465		64,048		64,048
of which subordinated debt		*909*		*909*		*851*		*851*
of which non subordinated debt		*60,847*		*60,847*		*56,882*		*56,882*
of which debt representative of shares of consolidated funds held by third parties		*6,709*		*6,709*		*6,315*		*6,315*
FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS	**453,594**	**70,480**		**524,074**	**381,004**	**65,902**		**446,906**

Detail of these assets and liabilities is provided in note 4.c.

- **Financial liabilities designated as at fair value through profit or loss**

Financial liabilities at fair value through profit or loss mainly consist of issued debt securities, originated and structured on behalf of customers, where the risk exposure is managed in combination with the hedging strategy. These types of issued debt securities contain significant embedded derivatives, which changes in value may be compensated by changes in the value of economic hedging derivatives.

The redemption value of debt issued and designated as at fair value through profit or loss at 30 June 2021 was EUR 62,720 million (EUR 60,065 million at 31 December 2020).

- **Other financial assets measured at fair value through profit or loss**

Other financial assets at fair value through profit or loss are financial assets not held for trading:

- Debt instruments that do not meet the criteria defined by IFRS 9 to be classified as financial instruments at "fair value through equity" or at "amortised cost":
  - Their business model is not to "collect contractual cash flows" nor "collect contractual cash flows and sell the instruments"; and/or
  - Their cash flows are not solely repayments of principal and interest on the principal amount outstanding.
- Equity instruments that the Group did not choose to classify as at "fair value through equity".

DERIVATIVE FINANCIAL INSTRUMENTS

The majority of derivative financial instruments held for trading are related to transactions initiated for trading purposes. They may result from market-making or arbitrage activities. BNP Paribas actively trades in derivatives. Transactions include trades in "ordinary" instruments such as credit default swaps, and structured transactions with complex risk profiles tailored to meet the needs of its customers. The net position is in all cases subject to limits.

Some derivative instruments are also contracted to hedge financial assets or financial liabilities for which the Group has not documented a hedging relationship, or which do not qualify for hedge accounting under IFRS.

In millions of euros	30 June 2021		31 December 2020	
	Positive market value	Negative market value	Positive market value	Negative market value
Interest rate derivatives	128,299	114,766	151,201	142,509
Foreign exchange derivatives	68,885	68,834	83,246	85,298
Credit derivatives	8,143	8,729	8,152	8,666
Equity derivatives	24,470	40,051	29,271	42,134
Other derivatives	8,092	7,467	4,909	4,001
Derivative financial instruments	**237,889**	**239,847**	**276,779**	**282,608**

The table below shows the total notional amount of trading derivatives. The notional amounts of derivative instruments are merely an indication of the volume of the Group's activities in financial instruments markets, and do not reflect the market risks associated with such instruments.

In millions of euros	30 June 2021				31 December 2020			
	Exchange-traded	Over-the-counter, cleared through central clearing houses	Over-the-counter	Total	Exchange-traded	Over-the-counter, cleared through central clearing houses	Over-the-counter	Total
Interest rate derivatives	1,367,963	11,789,386	4,803,084	17,960,433	1,338,251	8,962,795	4,569,738	14,870,784
Foreign exchange derivatives	30,186	140,098	6,492,302	6,662,586	26,929	94,633	5,507,868	5,629,430
Credit derivatives		400,444	541,418	941,862		376,689	558,222	934,911
Equity derivatives	799,522		521,582	1,321,104	697,858		461,793	1,159,651
Other derivatives	104,486		71,260	175,746	70,830		54,494	125,324
Derivative financial instruments	**2,302,157**	**12,329,928**	**12,429,646**	**27,061,731**	**2,133,868**	**9,434,117**	**11,152,115**	**22,720,100**

In the framework of its *Client Clearing activity*, the Group guarantees the risk of default of its clients to central counterparties. The corresponding notional amount is EUR 907 billion as at 30 June 2021 (EUR 818 billion at 30 June of 2020).

4.b FINANCIAL ASSETS AT FAIR VALUE THROUGH EQUITY

In millions of euros	30 June 2021		31 december 2020	
	Fair value	of which changes in value recognised directly to equity	Fair value	of which changes in value recognised directly to equity
Debt securities	**43,381**	**42**	**55,981**	**613**
Governments	18,075	90	30,989	414
Other public administrations	19,329	22	17,970	244
Credit institutions	4,310	(72)	5,140	(39)
Others	1,667	2	1,882	(6)
Equity securities	**2,668**	**1,013**	**2,209**	**535**
Total financial assets at fair value through equity	**46,049**	**1,055**	**58,190**	**1,148**

Debt securities at fair value through equity include EUR 103 million classified as stage 3 at 30 June 2021 (EUR 108 million at 31 December 2020). For these securities, the credit impairment recognised in the profit and loss account has been charged to the negative changes in value recognised in equity for EUR 102 million at 30 June 2021 (EUR 104 million at 31 December 2020).

The option to recognise certain equity instruments at fair value through equity was retained in particular for shares held through strategic partnerships and shares that the Group is required to hold in order to carry out certain activities.

4.c MEASUREMENT OF THE FAIR VALUE OF FINANCIAL INSTRUMENTS

VALUATION PROCESS

BNP Paribas has retained the fundamental principle that it should have a unique and integrated processing chain for producing and controlling the valuations of financial instruments that are used for the purpose of daily risk management and financial reporting. All these processes are based on a common economic valuation which is a core component of business decisions and risk management strategies.

Economic value is composed of mid-market value, to which add valuation adjustments.

Mid-market value is derived from external data or valuation techniques that maximise the use of observable and market-based data. Mid-market value is a theoretical additive value which does not take account of i) the direction of the transaction or its impact on the existing risks in the portfolio, ii) the nature of the counterparties, and iii) the aversion of a market participant to particular risks inherent in the instrument, the market in which it is traded, or the risk management strategy.

Valuation adjustments take into account valuation uncertainty and include market and credit risk premiums to reflect costs that could be incurred in case of an exit transaction in the principal market.

Fair value generally equals the economic value, subject to limited adjustments, such as own credit adjustments, which are specifically required by IFRS standards.

The main valuation adjustments are presented in the section below.

VALUATION ADJUSTMENTS

Valuation adjustments retained by BNP Paribas for determining fair values are as follows:

Bid/offer adjustments: the bid/offer range reflects the additional exit cost for a price taker and symmetrically the compensation sought by dealers to bear the risk of holding the position or closing it out by accepting another dealer's price.

BNP Paribas assumes that the best estimate of an exit price is the bid or offer price, unless there is evidence that another point in the bid/offer range would provide a more representative exit price.

Input uncertainty adjustments: when the observation of prices or data inputs required by valuation techniques is difficult or irregular, an uncertainty exists on the exit price. There are several ways to gauge the degree of uncertainty on the exit price such as measuring the dispersion of the available price indications or estimating the possible ranges of the inputs to a valuation technique.

Model uncertainty adjustments: these relate to situations where valuation uncertainty is due to the valuation technique used, even though observable inputs might be available. This situation arises when the risks inherent in the instruments are different from those available in the observable data, and therefore the valuation technique involves assumptions that cannot be easily corroborated.

Future Hedging Costs adjustments (FHC): this adjustment applies to positions classified in level 3 that require dynamic hedging throughout their lifetime leading to additional bid/offer costs. Calculation methods capture these expected costs in particular based on the optimal hedging frequency.

Credit valuation adjustment (CVA): the CVA adjustment applies to valuations and market quotations whereby the credit worthiness of the counterparty is not reflected. It aims to account for the possibility that the counterparty may default and that BNP Paribas may not receive the full fair value of the transactions.

In determining the cost of exiting or transferring counterparty risk exposures, the relevant market is deemed to be an inter-dealer market. However, the determination of CVA remains judgemental due to i) the possible absence or lack of price discovery in the inter-dealer market, ii) the influence of the regulatory landscape relating to counterparty risk on the market participants' pricing behaviour and iii) the absence of a dominant business model for managing counterparty risk.

The CVA model is grounded on the same exposures as those used for regulatory purposes. The model attempts to estimate the cost of an optimal risk management strategy based on i) implicit incentives and constraints inherent in the regulations in force and their evolutions, ii) market perception of the probability of default and iii) default parameters used for regulatory purposes.

Funding valuation adjustment (FVA): when valuation techniques are used for the purpose of deriving fair value, funding assumptions related to the future expected cash flows are an integral part of the mid-market valuation, notably through the use of appropriate discount rates. These assumptions reflect what the Bank anticipates as being the effective funding conditions of the instrument that a market participant would consider. This notably takes into account the existence and terms of any collateral agreement. In particular, for non- or imperfectly collateralised derivative instruments, they include an explicit adjustment to the interbank interest rate.

Own-credit valuation adjustment for debts (OCA) and for derivatives (debit valuation adjustment - DVA): OCA and DVA are adjustments reflecting the effect of credit worthiness of BNP Paribas, on respectively the value of debt securities designated as at fair value through profit or loss and derivatives. Both adjustments are based on the expected future liability profiles of such instruments. The own credit worthiness is inferred from the market-based observation of the relevant bond issuance levels. The DVA adjustment is determined after taking into account the Funding Valuation Adjustment (FVA).

Thus, the carrying value of debt securities designated as at fair value though profit or loss is increased by EUR 404 million as at 30 June 2021, compared with an increase in value of EUR 408 million as at 31 December 2020, i.e. a EUR -4 million variation recognised directly in equity that will not be reclassified to profit or loss.

INSTRUMENT CLASSES AND CLASSIFICATION WITHIN THE FAIR VALUE HIERARCHY FOR ASSETS AND LIABILITIES MEASURED AT FAIR VALUE

As explained in the summary of significant accounting policies (note 1.e.10), financial instruments measured at fair value are categorised into a fair value hierarchy consisting of three levels.

The disaggregation of assets and liabilities into risk classes is meant to provide further insight into the nature of the instruments:

- securitised exposures are further broken down by collateral type.
- for derivatives, fair values are broken down by dominant risk factor, namely interest rate, foreign exchange, credit and equity. Derivatives used for hedging purposes are mainly interest rate derivatives.

In millions of euros	30 June 2021											
	Financial instruments held for trading				Instruments at fair value through profit or loss not held for trading				Financial assets at fair value through equity			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Securities	**228,076**	**24,510**	**303**	**252,889**	**3,287**	**1,355**	**5,236**	**9,878**	**33,464**	**11,366**	**1,219**	**46,049**
Governments	118,856	8,526	36	127,418				-	14,347	3,713	15	18,075
Other debt securities	29,473	15,235	210	44,918	2,354	447	395	3,196	17,463	7,441	402	25,306
Equities and other equity securities	79,747	749	57	80,553	933	908	4,841	6,682	1,654	212	802	2,668
Loans and repurchase agreements	**-**	**286,707**	**165**	**286,872**	**-**	**316**	**781**	**1,097**	**-**	**-**	**-**	**-**
Loans		5,020	29	5,049		316	781	1,097				
Repurchase agreements		281,687	136	281,823				-				
FINANCIAL ASSETS AT FAIR VALUE	**228,076**	**311,217**	**468**	**539,761**	**3,287**	**1,671**	**6,017**	**10,975**	**33,464**	**11,366**	**1,219**	**46,049**
Securities	**124,467**	**1,590**	**173**	**126,230**	**-**	**-**	**-**	**-**				
Governments	89,924	16		89,940				-				
Other debt securities	17,628	1,524	170	19,322				-				
Equities and other equity securities	16,915	50	3	16,968				-				
Borrowings and repurchase agreements	**-**	**327,057**	**307**	**327,364**	**-**	**1,860**	**155**	**2,015**				
Borrowings		269	34	303		1,860	155	2,015				
Repurchase agreements		326,788	273	327,061				-				
Issued debt securities *(note 4.g)*	**-**	**-**	**-**	**-**	**4,505**	**43,511**	**20,449**	**68,465**				
Subordinated debt *(note 4.g)*				-		909		909				
Non subordinated debt (note 4.g)				-		40,398	20,449	60,847				
Debt representative of shares of consolidated funds held by third parties				-	4,505	2,204		6,709				
FINANCIAL LIABILITIES AT FAIR VALUE	**124,467**	**328,647**	**480**	**453,594**	**4,505**	**45,371**	**20,604**	**70,480**				

In millions of euros	31 December 2020											
	Financial instruments held for trading				Instruments at fair value through profit or loss not held for trading				Financial assets at fair value through equity			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Securities	**135,850**	**24,386**	**396**	**160,632**	**671**	**1,659**	**4,965**	**7,295**	**43,538**	**13,505**	**1,147**	**58,190**
Governments	81,126	7,464		88,590				-	27,188	3,801		30,989
Other debt securities	18,264	16,305	137	34,706		1,141	401	1,542	15,109	9,491	392	24,992
Equities and other equity securities	36,460	617	259	37,336	671	518	4,564	5,753	1,241	213	755	2,209
Loans and repurchase agreements	**-**	**243,567**	**371**	**243,938**	**-**	**218**	**722**	**940**	**-**	**-**	**-**	**-**
Loans		4,299		4,299		218	722	940				
Repurchase agreements		239,268	371	239,639				-				
FINANCIAL ASSETS AT FAIR VALUE	**135,850**	**267,953**	**767**	**404,570**	**671**	**1,877**	**5,687**	**8,235**	**43,538**	**13,505**	**1,147**	**58,190**
Securities	**92,298**	**1,823**	**142**	**94,263**	**-**	**-**	**-**	**-**				
Governments	66,489	252		66,741				-				
Other debt securities	9,990	1,495	47	11,532				-				
Equities and other equity securities	15,819	76	95	15,990				-				
Borrowings and repurchase agreements	**-**	**285,766**	**975**	**286,741**	**-**	**1,709**	**145**	**1,854**				
Borrowings		1,654		1,654		1,709	145	1,854				
Repurchase agreements		284,112	975	285,087				-				
Issued debt securities *(note 4.g)*	**-**	**-**	**-**	**-**	**5,240**	**40,840**	**17,968**	**64,048**				
Subordinated debt *(note 4.g)*				-		851		851				
Non subordinated debt *(note 4.g)*				-		38,914	17,968	56,882				
Debt representative of shares of consolidated funds held by third parties				-	5,240	1,075		6,315				
FINANCIAL LIABILITIES AT FAIR VALUE	**92,298**	**287,589**	**1,117**	**381,004**	**5,240**	**42,549**	**18,113**	**65,902**				

In millions of euros	30 June 2021							
	Positive market value				Negative market value			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Interest rate derivatives	231	126,904	1,164	128,299	240	113,407	1,119	114,766
Foreign exchange derivatives	26	68,511	348	68,885	36	68,464	334	68,834
Credit derivatives		7,677	466	8,143		8,187	542	8,729
Equity derivatives	9,406	13,190	1,874	24,470	15,389	17,306	7,356	40,051
Other derivatives	1,647	6,333	112	8,092	1,482	5,731	254	7,467
Derivative financial instruments not used for hedging purposes	**11,310**	**222,615**	**3,964**	**237,889**	**17,147**	**213,095**	**9,605**	**239,847**
Derivative financial instruments used for hedging purposes	**-**	**9,075**	**-**	**9,075**	**-**	**9,713**	**-**	**9,713**

In millions of euros	31 December 2020							
	Positive market value				Negative market value			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Interest rate derivatives	167	149,474	1,560	151,201	280	140,670	1,559	142,509
Foreign exchange derivatives		82,809	437	83,246	2	84,953	343	85,298
Credit derivatives		7,718	434	8,152		8,200	466	8,666
Equity derivatives	11,537	15,853	1,881	29,271	15,461	18,906	7,767	42,134
Other derivatives	988	3,857	64	4,909	747	3,161	93	4,001
Derivative financial instruments not used for hedging purposes	**12,692**	**259,711**	**4,376**	**276,779**	**16,490**	**255,890**	**10,228**	**282,608**
Derivative financial instruments used for hedging purposes	**-**	**15,600**	**-**	**15,600**	**-**	**13,320**	**-**	**13,320**

Transfers between levels may occur when an instrument fulfils the criteria defined, which are generally market and product dependent. The main factors influencing transfers are changes in the observation capabilities, passage of time, and events during the transaction lifetime. The timing of recognising transfers is determined at the beginning of the reporting period.

During the first half of 2021, transfers between Level 1 and Level 2 were not significant.

DESCRIPTION OF MAIN INSTRUMENTS IN EACH LEVEL

The following section provides a description of the instruments in each level in the hierarchy. It describes notably instruments classified in Level 3 and the associated valuation methodologies.

For main trading book instruments and derivatives classified in Level 3, further quantitative information is provided about the inputs used to derive fair value.

Level 1

This level encompasses all derivatives and securities that are listed on exchanges or quoted continuously in other active markets.

Level 1 includes notably equity securities and liquid bonds, shortselling of these instruments, derivative instruments traded on organised markets (futures, options, etc.). It includes shares of funds and UCITS, for which the net asset value is calculated on a daily basis, as well as debt representative of shares of consolidated funds held by third parties.

Level 2

The Level 2 stock of securities is composed of securities which are less liquid than the Level 1 bonds. They are predominantly corporate debt securities, government bonds, mortgage backed securities, fund shares and short-term securities such as certificates of deposit. They are classified in Level 2 notably when external prices for the same security can be regularly observed from a reasonable number of market makers that are active in this security, but these prices do not represent directly tradable prices. This comprises amongst other, consensus pricing services with a reasonable number of contributors that are active market makers as well as indicative runs from active brokers and/or dealers. Other sources such as primary issuance market, may also be used where relevant.

Repurchase agreements are classified predominantly in Level 2. The classification is primarily based on the observability and liquidity of the repo market, depending on the underlying collateral and the maturity of the repo transaction.

Debts issued designated as at fair value through profit and loss, are classified in the same level as the one that would apply to the embedded derivative taken individually. The issuance spread is considered observable.

Derivatives classified in Level 2 comprise mainly the following instruments:

- vanilla instruments such as interest rate swaps, caps, floors and swaptions, credit default swaps, equity/foreign exchange (FX)/commodities forwards and options;
- structured derivatives for which model uncertainty is not significant such as exotic FX options, mono- and multi-underlying equity/funds derivatives, single curve exotic interest rate derivatives and derivatives based on structured rates.

The above derivatives are classified in Level 2 when there is a documented stream of evidence supporting one of the following:

- fair value is predominantly derived from prices or quotations of other Level 1 and Level 2 instruments, through standard market interpolation or stripping techniques whose results are regularly corroborated by real transactions;
- fair value is derived from other standard techniques such as replication or discounted cash flows that are calibrated to observable prices, that bear limited model risk and enable an effective offset of the risks of the instrument through trading Level 1 or Level 2 instruments;
- fair value is derived from more sophisticated or proprietary valuation techniques but is directly evidenced through regular back-testing using external market-based data.

Determining of whether an over-the-counter (OTC) derivative is eligible for Level 2 classification involves judgement. Consideration is given to the origin, transparency and reliability of external data used, and the amount of uncertainty associated with the use of models. It follows that the Level 2 classification criteria involve multiple analysis axis within an “observability zone” whose limits are determined by i) a predetermined list of product categories and ii) the underlying and maturity bands. These criteria are regularly reviewed and updated, together with the applicable valuation adjustments, so that the classification by level remains consistent with the valuation adjustment policy.

Level 3

Level 3 securities of the trading book mainly comprise units of funds and unlisted equity shares measured at fair value through profit or loss or through equity.

Unlisted private equities are systematically classified as Level 3, with the exception of UCITS with a daily net asset value which are classified in the Level 1 of the fair value hierarchy.

Shares and other unlisted variable income securities in level 3 are valued using one of the following methods: a share of revalued net book value, multiples of comparable companies, future cash flows method, multi-criteria approach.

Repurchase agreements*: *mainly long-term or structured repurchase agreements on corporate bonds and ABSs: The valuation of these transactions requires proprietary methodologies given the bespoke nature of the transactions and the lack of activity and price discovery in the long-term repo market. The curves used in the valuation are corroborated using available data such as the implied basis of the relevant benchmark bond pool, recent long-term repo trade data and price enquiry data. Valuation adjustments applicable to these exposures are commensurate with the degree of uncertainty inherent in the modelling choices and amount of data available.

Debts issued designated as at fair value through profit or loss, are classified in the same level as the one that would apply to the embedded derivative taken individually. The issuance spread is considered observable.

Derivatives

Vanilla derivatives are classified in Level 3 when the exposure is beyond the observation zone for rate curves or volatility surfaces, or relates to less liquid markets such as tranches on old credit index series or emerging markets interest rates markets. The main instruments are:

- ***Interest rate derivatives***: exposures mainly comprise swap products in less liquid currencies. Classification is driven by the lower liquidity of some maturities, while observation capabilities through consensus may be available. The valuation technique is standard, and uses external market information and extrapolation techniques.
- ***Credit derivatives (CDS)***: exposures mainly comprise CDSs beyond the maximum observable maturity and, to a much lesser extent, CDSs on illiquid or distressed names and CDSs on loan indices. Classification is driven by the lack of liquidity while observation capabilities may be available notably through consensus. Level 3 exposures also comprise CDS and Total Return Swaps (TRS) positions on securitised assets. These are priced along the same modelling techniques as the underlying bonds, taking into consideration the funding basis and specific risk premium.
- ***Equity derivatives***: exposures essentially comprise long dated forward or volatility products or exposures where there is a limited market for optional products. The marking of the forward curves and volatility surfaces beyond the maximum observable maturity relies on extrapolation techniques. However, when there is no market for model input, volatility or forward is generally determined on the basis of proxy or historical analysis.

  Similarly, long-term transactions on equity baskets are also classified in Level 3, based on the absence of equity correlation observability on long maturities.

These vanilla derivatives are subject to valuation adjustments linked to uncertainty on liquidity, specialised by nature of underlying and liquidity bands.

Structured derivatives classified in Level 3 predominantly comprise structured derivatives of which hybrid products (FX/Interest Rates hybrids, Equity hybrids), credit correlation products, prepayment-sensitive products, some stock basket optional products and some interest rate optional instruments. The main exposures are described below, with insight into the related valuation techniques and on the source of uncertainty:

- ***Structured interest rate options*** are classified in Level 3 when they involve currencies where there is not sufficient observation or when they include a quanto feature where the pay-off is measured with a forex forward fixed rate (except for the main currencies). Long term structured derivatives are also classified in Level 3.

- ***Hybrid FX/Interest rate products*** essentially comprise a specific product family known as Power Reverse Dual Currency (PRDC). When valuation of PRDCs requires sophisticated modelling of joint behaviour of FX and interest rate, and is notably sensitive to the unobservable FX/ interest rate correlations, such products are classified as level 3. PRDCs valuations are corroborated with recent trade data and consensus data.

- ***Securitisation swaps*** mainly comprise fixed rate swaps, cross currency or basis swaps whose notional is indexed to the prepayment behaviour of some underlying portfolio. The estimation of the maturity profile of securitisation swaps is corroborated by statistical estimates using external historical data.

- ***Forward volatility options*** are generally products whose pay-off is indexed to the future variability of a rate index such as volatility swaps. These products involve material model risk as it is difficult to infer forward volatility information from the market-traded instruments. The valuation adjustment framework is calibrated to the uncertainty inherent in the product, and to the range of uncertainty from the existing external consensus data.

- ***Inflation derivatives*** classified in Level 3 mainly comprise swap products on inflation indices that are not associated with a liquid indexed bond market, optional products on inflation indices (such as caps and floors) and other forms of inflation indices involving optionality on the inflation indices or on the inflation annual rate. Valuation techniques used for inflation derivatives are predominantly standard market models. Proxy techniques are used for a few limited exposures. Although the valuations are corroborated through monthly consensus data, these products are classified as Level 3 due to their lack of liquidity and some uncertainties inherent in the calibration.

- The valuation of ***bespoke CDOs*** requires correlation of default events. This information is inferred from the active index tranche market through a proprietary projection technique and involves proprietary extrapolation and interpolation techniques. Multi-geography CDOs further require an additional correlation assumption. Finally, the bespoke CDO model also involves proprietary assumptions and parameters related to the dynamic of the recovery factor. CDO modelling, is calibrated on the observable index tranche markets, and is regularly back-tested against consensus data on standardised pools. The uncertainty arises from the model risk associated with the projection and geography mixing technique, and the uncertainty of associated parameters, together with the recovery modelling.

- ***N to Default baskets*** are other forms of credit correlation products, modelled through standard copula techniques. The main inputs required are the pair-wise correlations between the basket components which can be observed in the consensus and the transactions. Linear baskets are considered observable.

- ***Equity and equity-hybrid correlation products*** are instruments whose pay-off is dependent on the joint behaviour of a basket of equities/indices leading to a sensitivity of the fair value measurement to the correlation amongst the basket components. Hybrid versions of these instruments involve baskets that mix equity and non-equity underlyings such as commodity indices, or foreign exchange rates. Only a subset of the Equity/index correlation matrix is regularly observable and traded, while most cross-asset correlations are not active. Therefore, classification in Level 3 depends on the composition of the basket, the maturity, and the hybrid nature of the product. The correlation input is derived from a proprietary model combining historical estimators, and other adjustment factors, that are corroborated by reference to recent trades or external data. The correlation matrix is essentially available from consensus services, and when a correlation between two underlying instruments is not available, it might be obtained from extrapolation or proxy techniques.

These structured derivatives are subject to specific valuation adjustments to cover uncertainties linked to liquidity, parameters and model risk.

Valuation adjustments (CVA, DVA and FVA)

The valuation adjustment for counterparty credit risk (CVA), own-credit risk for derivatives (DVA) and the explicit funding valuation adjustment (FVA) are deemed to be unobservable components of the valuation framework and therefore classified in Level 3. This does not impact, in general cases, the classification of individual transactions into the fair value hierarchy. However, a specific process allows to identify individual deals for which the marginal contribution of these adjustments and related uncertainty is significant. Are particularly concerned some insufficiently collateralised vanilla interest rate instruments with very long residual maturity.

The table below provides the range of values of main unobservable inputs for the valuation of level 3 financial instruments. The ranges displayed correspond to a variety of different underlying instruments and are meaningful only in the context of the valuation technique implemented by BNP Paribas. The weighted averages, where relevant and available, are based on fair values, nominal amounts or sensitivities.

The main unobservable parameters used for the valuation of debt issued in level 3 are equivalent to these of their economic hedge derivative. Information on those derivatives, displayed in the following table, is also applicable to these debts.

Risk classes	Balance Sheet valuation (in millions of euros)		Main product types composing the Level 3 stock within the risk class	Valuation technique used for the product types considered	Main unobservable inputs for the product types considered	Range of unobservable input across Level 3 population considered	Weighted average
	Asset	Liability					
Repurchase agreements	136	273	Long-term repo and reverse-repo agreements	Proxy techniques, based amongst other on the funding basis of a benchmark bond pool, that is actively traded and representative of the repo underlying	Long-term repo spread on private bonds (High Yield, High Grade) and on ABSs	0 pb to 168 pb	32 pb (a)
Interest rate derivatives	1,164	1,119	Hybrid Forex / Interest rates derivatives	Hybrid Forex interest rate option pricing model	Correlation between FX rate and interest rates. Main currency pairs are EUR/JPY, USD/JPY, AUD/JPY	17% to 51%	18 % (a)
			Hybrid inflation rates / Interest rates derivatives	Hybrid inflation interest rate option pricing model	Correlation between interest rates and inflation rates mainly in Europe.	1% to 21%	15%
			Floors and caps on inflation rate or on the cumulative inflation (such as redemption floors), predominantly on European and French inflation	Inflation pricing model	Volatility of cumulative inflation	0.7% to 8.8%	(b)
					Volatility of the year on year inflation rate	0.3% to 2.3%	
			Forward Volatility products such as volatility swaps, mainly in euro	Interest rates option pricing model	Forward volatility of interest rates	0.3% to 0.6%	(b)
			Balance-guaranteed fixed rate, basis or cross currency swaps, predominantly on European collateral pools	Prepayment modelling Discounted cash flows	Constant prepayment rates	0% to 18%	2 % (a)
Credit Derivatives	466	542	Collateralised Debt Obligations and index tranches for inactive index series	Base correlation projection technique and recovery modelling	Base correlation curve for bespoke portfolios	19% to 90%	(b)
					Inter-regions default cross correlation	80% to 90%	90% (c)
					Recovery rate variance for single name underlyings	0 to 25 %	(b)
			N-to-default baskets	Credit default model	Default correlation	50% to 83 %	60.8% (a)
			Single name Credit Default Swaps (other than CDS on ABSs and loans indices)	Stripping, extrapolation and interpolation	Credit default spreads beyond observation limit (10 years)	34 pb to 162 pb (1)	114 pb (c)
					Illiquid credit default spread curves (across main tenors)	3 pb to 826 bp (2)	66 pb (c)
Equity Derivatives	1,874	7,356	Simple and complex derivatives on multi-underlying baskets on stocks	Various volatility option models	Unobservable equity volatility	0% to 101% (3)	30% (d)
					Unobservable equity correlation	22% to 98%	68% (c)

(1) The upper part of the range relates to a significant balance sheet position on an issuer belonging to the European telecommunication sector. The remaining positions relate mainly to sovereign and financial issuers.
(2) The upper bound of the range relates to distribution, consumer and transportation sector issuers that represent an insignificant portion of the balance sheet (CDSs with illiquid underlying instruments).
(3) The upper part of the range relates to 9 equities representing a non-material portion of the balance sheet on options with equity underlying instruments. Including these inputs, the upper bound of the range would be around 202%.
(a) Weights based on relevant risk axis at portfolio level
(b) No weighting, since no explicit sensitivity is attributed to these inputs
(c) Weighting is not based on risks, but on an alternative methodology in relation with the Level 3 instruments (present value or notional)
(d) Simple averaging

TABLE OF MOVEMENTS IN LEVEL 3 FINANCIAL INSTRUMENTS

For Level 3 financial instruments, the following movements occurred during the first half of 2021:

	Financial assets				Financial liabilities		
In millions of euros	Financial instruments at fair value through profit or loss held for trading	Financial instruments at fair value through profit or loss not held for trading	Financial assets at fair value through equity	TOTAL	Financial instruments at fair value through profit or loss held for trading	Financial instruments designated as at fair value through profit or loss	TOTAL
At 31 December 2020	**5,143**	**5,687**	**1,147**	**11,977**	**(11,345)**	**(18,113)**	**(29,458)**
Purchases	428	474	129	**1,031**			**-**
Issues				**-**		(2,438)	**(2,438)**
Sales	(495)	(400)	(1)	**(896)**	(104)		**(104)**
Settlements [(1)]	554	12	(17)	**549**	278	2,748	**3,026**
Transfers to level 3	487	19		**506**	(557)	(3,613)	**(4,170)**
Transfers from level 3	(511)	(30)	(87)	**(628)**	638	249	**887**
Gains (or losses) recognised in profit or loss with respect to transactions expired or terminated during the period	(417)	235	(2)	**(184)**	1,474	(55)	**1,419**
Gains (or losses) recognised in profit or loss with respect to unexpired instruments at the end of the period	(767)	(14)		**(781)**	(470)	618	**148**
Changes in fair value of assets and liabilities recognised directly in equity				**-**			**-**
- Items related to exchange rate movements	10	34	2	**46**	1		**1**
- Changes in fair value of assets and liabilities recognised in equity			48	**48**			**-**
At 30 June 2021	**4,432**	**6,017**	**1,219**	**11,668**	**(10,085)**	**(20,604)**	**(30,689)**

[(1)]For the assets, includes redemptions of principal, interest payments as well as cash inflows and outflows relating to derivatives. For the liabilities, includes principal redemptions, interest payments as well as cash inflows and outflows relating to derivatives the fair value of which is negative.

Transfers out of Level 3 of derivatives at fair value include mainly the update of the observability tenor of certain yield curves, and of market parameters related to repurchase agreements and credit transactions but also the effect of derivatives becoming only or mainly sensitive to observable inputs due to the shortening of their lifetime.

Transfers into Level 3 of instruments at fair value reflect the effect of the regular update of the observability zones.

Transfers have been reflected as if they had taken place at the beginning of the reporting period.

The Level 3 financial instruments may be hedged by other Level 1 and Level 2 instruments, the gains and losses of which are not shown in this table. Consequently, the gains and losses shown in this table are not representative of the gains and losses arising from management of the net risk on all these instruments.

SENSITIVITY OF FAIR VALUE TO REASONABLY POSSIBLE CHANGES IN LEVEL 3 ASSUMPTIONS

The following table summarises those financial assets and financial liabilities classified as Level 3 for which alternative assumptions in one or more of the unobservable inputs would change fair value significantly.

The amounts disclosed are intended to illustrate the range of possible uncertainty inherent to the judgement applied when estimating Level 3 parameters, or when selecting valuation techniques. These amounts reflect valuation uncertainties that prevail at the measurement date, and even though such

uncertainties predominantly derive from the portfolio sensitivities that prevailed at that measurement date, they are not predictive or indicative of future movements in fair value, nor do they represent the effect of market stress on the portfolio value.
In estimating sensitivities, BNP Paribas either remeasured the financial instruments using reasonably possible inputs, or applied assumptions based on the valuation adjustment policy.

For the sake of simplicity, the sensitivity on cash instruments that are not relating to securitised instruments was based on a uniform 1% shift in the price. More specific shifts were however calibrated for each class of the Level 3 securitised exposures, based on the possible ranges of the unobservable inputs.

For derivative exposures, the sensitivity measurement is based on the credit valuation adjustment (CVA), the explicit funding valuation adjustment (FVA) and the parameter and model uncertainty adjustments related to Level 3.

Regarding the credit valuation adjustment (CVA) and the explicit funding valuation adjustment (FVA), the uncertainty was calibrated based on prudent valuation adjustments described in the technical standard “Prudent Valuation” published by the European Banking Authority. For other valuation adjustments, two scenarios were considered: a favourable scenario where all or portion of the valuation adjustment is not considered by market participants, and an unfavourable scenario where market participants would require twice the amount of valuation adjustments considered by BNP Paribas for entering into a transaction.

	30 June 2021		31 December 2020	
In millions of euros	Potential impact on income	Potential impact on equity	Potential impact on income	Potential impact on equity
Debt securities	+/-4	+/-4	+/-5	+/-3
Equities and other equity securities	+/-49	+/-8	+/-48	+/-8
Loans and repurchase agreements	+/-9		+/-13	
Derivative financial instruments	+/-593		+/-620	
Interest rate and foreign exchange derivatives	*+/-317*		*+/-360*	
Credit derivatives	*+/-30*		*+/-49*	
Equity derivatives	*+/-237*		*+/-199*	
Other derivatives	*+/-9*		*+/-12*	
Sensitivity of Level 3 financial instruments	**+/-655**	**+/-12**	**+/-686**	**+/-11**

DEFERRED MARGIN ON FINANCIAL INSTRUMENTS MEASURED USING TECHNIQUES DEVELOPED INTERNALLY AND BASED ON INPUTS PARTLY UNOBSERVABLE IN ACTIVE MARKETS

Deferred margin on financial instruments (“Day One Profit”) primarily concerns the scope of financial instruments eligible for Level 3 and to a lesser extent some financial instruments eligible for level 2 where valuation adjustments for uncertainties regarding parameters or models are not negligible compared to the initial margin.

The day one profit is calculated after setting aside valuation adjustments for uncertainties as described previously and released to profit or loss over the expected period for which the inputs will be unobservable. The unamortised amount is included under “Financial instruments at fair value through profit or loss” as a reduction in the fair value of the relevant transactions.

In millions of euros	Deferred margin at 31 December 2020	Deferred margin on transactions during the period	Margin taken to the profit and loss account during the period	Deferred margin at 30 June 2021
Interest rate and foreign exchange derivatives	244	42	(100)	186
Credit derivatives	174	51	(75)	150
Equity derivatives	414	361	(375)	400
Other instruments	11	10	(12)	9
Financial instruments	**843**	**464**	**(562)**	**745**

4.d FINANCIAL ASSETS AT AMORTISED COST

- **Detail of loans and advances by nature**

In millions of euros	30 June 2021			31 December 2020		
	Gross value	Impairment (note 2.h)	Carrying amount	Gross value	Impairment (note 2.h)	Carrying amount
Loans and advances to credit institutions	**33,221**	**(88)**	**33,133**	**19,082**	**(100)**	**18,982**
On demand accounts	7,767	(7)	7,760	7,241	(12)	7,229
Loans[1]	19,589	(81)	19,508	10,009	(88)	9,921
Repurchase agreements	5,865		5,865	1,832		1,832
Loans and advances to customers	**846,904**	**(21,678)**	**825,226**	**830,979**	**(21,446)**	**809,533**
On demand accounts	43,163	(3,362)	39,801	37,639	(3,409)	34,230
Loans to customers	762,521	(17,169)	745,352	752,797	(16,888)	735,909
Finance leases	40,910	(1,147)	39,763	39,220	(1,149)	38,071
Repurchase agreements	310		310	1,323		1,323
Total loans and advances at amortised cost	**880,125**	**(21,766)**	**858,359**	**850,061**	**(21,546)**	**828,515**

[1] Loans and advances to credit institutions include term deposits made with central banks.

- **Detail of debt securities by type of issuer**

In millions of euros	30 June 2021			31 December 2020		
	Gross value	Impairment (note 2.h)	Carrying amount	Gross value	Impairment (note 2.h)	Carrying amount
Governments	60,028	(22)	60,006	62,044	(22)	62,022
Other public administration	26,481	(2)	26,479	24,248	(2)	24,246
Credit institutions	10,552	(2)	10,550	10,461	(2)	10,459
Others	21,626	(135)	21,491	21,721	(132)	21,589
Total debt securities at amortised cost	**118,687**	**(161)**	**118,526**	**118,474**	**(158)**	**118,316**

- **Detail of financial assets at amortised cost by stage**

In millions of euros	30 June 2021			31 December 2020		
	Gross Value	Impairment (note 2.h)	Carrying amount	Gross Value	Impairment (note 2.h)	Carrying amount
Loans and advances to credit institutions	**33,221**	**(88)**	**33,133**	**19,082**	**(100)**	**18,982**
Stage 1	32,767	(13)	32,754	18,517	(19)	18,498
Stage 2	372	(2)	370	486	(8)	478
Stage 3	82	(73)	9	79	(73)	6
Loans and advances to customers	**846,904**	**(21,678)**	**825,226**	**830,979**	**(21,446)**	**809,533**
Stage 1	712,653	(2,257)	710,396	707,664	(2,303)	705,361
Stage 2	104,072	(3,234)	100,838	93,244	(3,101)	90,143
Stage 3	30,179	(16,187)	13,992	30,071	(16,042)	14,029
Debt securities	**118,687**	**(161)**	**118,526**	**118,474**	**(158)**	**118,316**
Stage 1	117,680	(21)	117,659	117,357	(21)	117,336
Stage 2	738	(32)	706	847	(33)	814
Stage 3	269	(108)	161	270	(104)	166
Total financial assets at amortised cost	**998,812**	**(21,927)**	**976,885**	**968,535**	**(21,704)**	**946,831**

4.e IMPAIRED FINANCIAL ASSETS (STAGE 3)

The following tables present the carrying amounts of impaired financial assets carried at amortised cost and of impaired financing and guarantee commitments, as well as related collateral and other guarantees.

The amounts shown for collateral and other guarantees correspond to the lower of the value of the collateral or other guarantee and the value of the secured assets.

In millions of euros	30 June 2021			
	Impaired financial assets (Stage 3)			Collateral received
	Gross value	Impairment	Net	
Loans and advances to credit institutions (note 4.d)	82	(73)	9	4
Loans and advances to customers (note 4.d)	30,179	(16,187)	13,992	8,903
Debt securities at amortised cost (note 4.d)	269	(108)	161	34
Total amortised-cost impaired assets (stage 3)	**30,530**	**(16,368)**	**14,162**	**8,941**
Financing commitments given	1,190	(84)	1,106	145
Guarantee commitments given	1,133	(264)	869	279
Total off-balance sheet impaired commitments (stage 3)	**2,323**	**(348)**	**1,975**	**424**

In millions of euros	31 December 2020			
	Impaired financial assets (Stage 3)			Collateral received
	Gross value	Impairment	Net	
Loans and advances to credit institutions (note 4.d)	79	(73)	6	123
Loans and advances to customers (note 4.d)	30,071	(16,042)	14,029	8,978
Debt securities at amortised cost (note 4.d)	270	(104)	166	39
Total amortised-cost impaired assets (stage 3)	**30,420**	**(16,219)**	**14,201**	**9,140**
Financing commitments given	1,001	(83)	918	105
Guarantee commitments given	1,364	(264)	1,100	320
Total off-balance sheet impaired commitments (stage 3)	**2,365**	**(347)**	**2,018**	**425**

The following table presents gross exposures of stage 3 assets change (EU CR2):

Gross value In millions of euros	First Half 2021	First Half 2020
Impaired exposures (Stage 3) at opening balance	**30,420**	**30,088**
Transfer to stage 3	3,856	4,391
Transfer to stage 1 or stage 2	(1,347)	(1,082)
Assets Written off	(1,786)	(1,538)
Others changes	(613)	(368)
Impaired exposures (Stage 3) at closing balance	**30,530**	**31,491**

4.f FINANCIAL LIABILITIES AT AMORTISED COST DUE TO CREDIT INSTITUTIONS AND CUSTOMERS

In millions of euros	30 June 2021	31 December 2020
Deposits from credit institutions	**205,110**	**147,657**
On demand accounts	12,983	8,995
Interbank borrowings[(1)]	164,180	130,999
Repurchase agreements	27,947	7,663
Deposits from customers	**1,000,870**	**940,991**
On demand deposits	666,481	613,311
Savings accounts	159,656	156,508
Term accounts and short-term notes	172,128	170,097
Repurchase agreements	2,605	1,075

[(1)] Interbank borrowings from credit institutions include term borrowings from central banks, of which EUR 120.1 billion of TLTRO III at 30 June 2021 (EUR 101.8 billion at 31 December 2020).

4.g DEBT SECURITIES AND SUBORDINATED DEBT

This note covers all issued debt securities and subordinated debt measured at amortised cost and designated as at fair value through profit or loss.

- **Debt securities designated at fair value through profit or loss (note 4.a)**

Issuer / Issue date In millions of euros	Currency	Original amount in foreign currency (millions)	Date of call or interest step-up	Interest rate	Interest step-up	Conditions precedent for coupon payment [(1)]	30 June 2021	31 December 2020
Debt securities							**60,847**	**56,882**
Subordinated debt							**909**	**851**
- Redeemable subordinated debt			(2)				**42**	**53**
- Perpetual subordinated debt							**867**	**798**
BNP Paribas Fortis Dec. 2007[(3)]	EUR	3,000	Dec.-14	3-month Euribor +200 bp		A	867	798

[(1)] Conditions precedent for coupon payment:

A Coupon payments are halted should the issuer have insufficient capital or the underwriters become insolvent or when the dividend declared for Ageas shares falls below a certain threshold.

[(2)] After agreement from the banking supervisory authority and at the issuer's initiative, redeemable subordinated debt issues may contain a call provision authorising the Group to redeem the securities prior to maturity by repurchasing them in the stock market, via public tender offers, or in the case of private placements over the counter. Debt issued by BNP Paribas SA or foreign subsidiaries of the Group via placements in the international markets may be subject to early redemption of the capital and early payment of interest due at maturity at the issuer's discretion on or after a date stipulated in the issue particulars (call option), or in the event that changes in the applicable tax rules oblige the BNP Paribas Group issuer to compensate debt-holders for the consequences of such changes. Redemption may be subject to a notice period of between 15 and 60 days, and is in all cases subject to approval by the banking supervisory authorities.

[(3)] Convertible And Subordinated Hybrid Equity-linked Securities (CASHES) issued by BNP Paribas Fortis (previously Fortis Banque) in December 2007.
The CASHES are perpetual securities but may be exchanged for Ageas (previously Fortis SA/NV) shares at the holder's sole discretion at a price of EUR 239.40. However, as of 19 December 2014, the CASHES will be automatically exchanged into Ageas shares if their price is equal to or higher than EUR 359.10 for twenty consecutive trading days. The principal amount will never be redeemed in cash. The rights of the CASHES holders are limited to the Ageas shares held by BNP Paribas Fortis and pledged to them.
Ageas and BNP Paribas Fortis have entered into a Relative Performance Note (RPN) contract, the value of which varies contractually so as to offset the impact on BNP Paribas Fortis of the relative difference between changes in the value of the CASHES and changes in the value of the Ageas shares.
As at 30 June 2021, the liability is eligible to prudential own funds for EUR 205 million.

- **Debt securities measured at amortised cost**

Issuer / Issue date In millions of euros	Currency	Original amount in foreign currency (millions)	Date of call or interest step-up	Interest rate	Interest step-up	Conditions precedent for coupon payment (1)	30 June 2021	31 December 2020
Debt securities							171,480	148,303
- Debt securities in issue with an initial maturity of less than one year							**70,336**	**48,332**
Negotiable debt securities							70,336	48,332
- Debt securities in issue with an initial maturity of more than one year							**101,144**	**99,971**
Negotiable debt securities							30,910	38,720
Bonds							70,234	61,251
Subordinated debt							23,162	22,474
- Redeemable subordinated debt			(2)				**21,428**	**20,739**
- Undated subordinated notes							**1,485**	**1,506**
BNP Paribas SA Oct. 85	EUR	305	-	TMO - 0.25%	-	B	254	254
BNP Paribas SA Sept. 86	USD	500	-	6 month-Libor + 0.075%	-	C	231	224
BNP Paribas Cardif Nov. 14	EUR	1,000	Nov. - 25	4.032%	3-month Euribor + 393 bp	D	1,000	1,000
Others							-	28
- Participating notes							**222**	**222**
BNP Paribas SA July 84 (3)	EUR	337	-	(4)	-		215	215
Others							7	7
- Expenses and commission, related debt							**27**	**7**

(1) Conditions precedent for coupon payment

B Payment of the interest is mandatory, unless the Board of Directors decides to postpone these payments after the Shareholders' General Meeting has officially noted that there is no income available for distribution, where this occurs within the 12-month period preceding the due date for payment of the interest. Interest payments are cumulative and are payable in full once dividend payments resume.

C Payment of the interest is mandatory, unless the Board of Directors decides to postpone these payments after the Shareholders' General Meeting has validated the decision not to pay out a dividend, where this occurs within the 12-month period preceding the due date for payment of the interest. Interest payments are cumulative and are payable in full once dividend payments resume. The bank has the option of resuming payment of interest arrears, even where no dividend is paid out.

D Payment of the interest is mandatory, except for cases of regulatory deficiency, in agreement with the regulator, or of suspension of payments. Interest payments are cumulative and are payable in full, once coupon payments resume, or, if these events occur before, when the issuance is redeemed or when the issuer is liquidated.

(2) See reference relating to "Debt securities at fair value through profit or loss".

(3) The participating notes issued by BNP Paribas SA may be repurchased as provided for in the law of 3 January 1983. The number of notes in the market is 1,434,092.

(4) Depending on net income subject to a minimum of 85% of the TMO rate and a maximum of 130% of the TMO rate.

4.h FINANCIAL INVESTMENTS OF INSURANCE ACTIVITIES

In millions of euros	30 June 2021			31 December 2020		
	Assets not representative of unit-linked insurance contracts	Assets representative of unit-linked insurance contracts *(financial risk supported by policyholders)*	Total	Assets not representative of unit-linked insurance contracts	Assets representative of unit-linked insurance contracts *(financial risk supported by policyholders)*	Total
Financial instruments designated as at fair value through profit or loss	47,887	81,309	129,196	45,867	73,151	119,018
Derivative financial instruments	1,270		1,270	1,365		1,365
Available-for-sale financial assets	127,403		127,403	130,594		130,594
Held-to-maturity financial assets	1,041		1,041	1,443		1,443
Loans and receivables	3,895		3,895	3,214		3,214
Equity-method investments	352		352	354		354
Investment property	2,897	4,050	6,947	2,857	3,732	6,589
Total	**184,745**	**85,359**	**270,104**	**185,694**	**76,883**	**262,577**
Reinsurers' share of technical reserves	2,639		2,639	2,779		2,779
Financial investments of insurance activities	**187,384**	**85,359**	**272,743**	**188,473**	**76,883**	**265,356**

Investments in financial instruments of insurance activities are accounted for according to IAS 39 principles.

- **Measurement of the fair value of financial instruments**

The criteria for allocating instruments to the levels of the fair value hierarchy, the corresponding valuation methodologies and the principles of transfer between the levels of the hierarchy for insurance investments are similar to those applied for the Group's other financial instruments (note 4.c).

In millions of euros	30 June 2021				31 December 2020			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Available-for-sale financial assets	**109,860**	**16,996**	**547**	**127,403**	**112,156**	**18,218**	**220**	**130,594**
Equity instruments	8,832	1,228	351	10,411	7,963	1,370	195	9,528
Debt securities	101,028	15,768	196	116,992	104,193	16,848	25	121,066
Financial instruments designated as at fair value through profit or loss	**97,608**	**23,791**	**7,797**	**129,196**	**90,733**	**21,419**	**6,865**	**119,017**
Equity instruments	96,821	15,180	7,787	119,788	89,691	13,036	6,804	109,531
Debt securities	787	8,611	10	9,408	1,042	8,383	61	9,486
Derivative financial instruments	**-**	**1,120**	**150**	**1,270**	**-**	**1,162**	**203**	**1,365**
Financial assets measured at fair value	**207,468**	**41,907**	**8,494**	**257,869**	**202,889**	**40,799**	**7,288**	**250,976**

Level 1: this level comprises equities and liquid bonds, derivative instruments traded on organised markets (futures, options, *etc.*), units of funds and UCITS for which the net asset value is calculated on a daily basis.

Level 2: this level comprises equities, certain government or corporate bonds, other fund units and UCITS and over-the-counter derivatives.

Level 3: this level consists mainly of fund units and shares which are not quoted on active markets, consisting mainly of units in venture capital companies and funds.

During the first half of 2021, transfers between Level 1 and Level 2 were not significant.

- **Table of movements in Level 3 financial instruments**

For Level 3 financial instruments, the following movements occurred during the period:

In millions of euros	Financial assets		
	Available-for-sale financial instruments	Financial instruments as at fair value through profit or loss	Total
At 30 June 2020	**220**	**7,068**	**7,288**
Purchases	252	2,865	3,117
Sales	(64)	(2,327)	(2,391)
Settlements	(12)	(125)	(137)
Transfers to Level 3	134	43	177
Transfers from Level 3	-	(121)	(121)
Gains recognised in profit or loss	28	537	565
Items related to exchange rate movements		6	6
Changes in fair value of assets and liabilities recognised in equity	(11)		(11)
At 30 June 2021	**547**	**7,947**	**8,494**

- **Details of available-for-sale financial assets**

In millions of euros	30 June 2021			31 December 2020		
	Balance sheet value	of which depreciation	of which changes in value recognised directly in equity	Balance sheet value	of which depreciation	of which changes in value recognised directly in equity
Debt securities	116,992		11,117	121,066		14,934
Equity instruments	10,411	(687)	2,746	9,528	(697)	2,117
Total available-for-sale financial assets	**127,403**	**(687)**	**13,863**	**130,594**	**(697)**	**17,051**

4.i TECHNICAL RESERVES AND OTHER INSURANCE LIABILITIES

In millions of euros	30 June 2021	31 December 2020
Technical reserves - Non-Life insurance contracts	**4,391**	**4,668**
Technical reserves - Life insurance contracts	**163,241**	**155,129**
- Insurance contracts	86,457	85,961
- Unit-linked contracts	76,784	69,168
Technical liabilities - investment contracts	**49,477**	**48,528**
- Investments contracts with discretionary participation feature	41,355	40,916
- Investment contracts without discretionary participation feature - Unit-linked contracts	8,122	7,612
Policyholders' surplus reserve - liability	**26,989**	**27,860**
Total technical reserves and liabilities related to insurance and investment contracts	**244,098**	**236,185**
Debts arising out of insurance and reinsurance operations	3,073	2,948
Derivative financial instruments	1,331	1,608
Total technical reserves and other insurance liabilities	**248,502**	**240,741**

The policyholders' surplus reserve arises from the application of shadow accounting. It represents the interest of policyholders within French and Italian life insurance subsidiaries in unrealised gains and losses and impairment losses on assets where the benefit paid under the policy is linked to the return on those assets. It is obtained from stochastic calculations modelling the unrealised gains and losses attributable to policyholders based on economic scenarios and assumptions as regards rates paid to customers and new business inflows. For France, this resulted in an interest of 92% in 2021, unchanged from 2020.

The Liability Adequacy Test required by IFRS 4 and performed by contract portfolios consists in comparing reserves (net of deferred acquisition costs) and evaluation of future discounted cash flows.
As at 31 December 2020, this test has led to additional provisions on three Asian life insurance entities for a total amount of EUR 18 million. On domestic market life insurance entities (France, Italy and Luxembourg), the test did not apply for any shortfall impact.

As at 30 June 2021, the analysis confirms the level of provisioning.

4.j CURRENT AND DEFERRED TAXES

In millions of euros	30 June 2021	31 December 2019
Current taxes	1,907	2,016
Deferred taxes	4,391	4,543
Current and deferred tax assets	**6,298**	**6,559**
Current taxes	1,942	1,671
Deferred taxes	1,333	1,330
Current and deferred tax liabilities	**3,275**	**3,001**

4.k ACCRUED INCOME/EXPENSE AND OTHER ASSETS/LIABILITIES

In millions of euros	30 June 2021	31 December 2020
Guarantee deposits and bank guarantees paid	86,282	103,199
Collection accounts	195	677
Accrued income and prepaid expenses	3,757	3,985
Other debtors and miscellaneous assets	42,241	33,043
Total accrued income and other assets	**132,475**	**140,904**
Guarantee deposits received	61,680	61,454
Collection accounts	4,538	3,243
Accrued expense and deferred income	6,078	6,701
Lease liabilities	3,551	3,595
Other creditors and miscellaneous liabilities	32,044	32,853
Total accrued expense and other liabilities	**107,891**	**107,846**

4.1 GOODWILL

In millions of euros	30 June 2021
Carrying amount at start of period	**7,493**
Acquisitions	2
Divestments	(58)
Exchange rate adjustments	114
Carrying amount at end of period	**7,551**
Gross value	11,300
Accumulated impairment recognised at the end of period	(3,749)

Goodwill by cash-generating unit is as follows:

In millions of euros	Carrying amount		Acquisitions	
	30 June 2021	31 December 2020	30 June 2021	30 June 2020
Retail Banking & Services	**6,353**	**6,311**	**2**	**-**
Domestic Markets	**1,435**	**1,424**	**1**	**-**
Arval	*519*	*510*	*1*	
Leasing Solutions	*150*	*149*		
New Digital Businesses	*159*	*159*		
Personal Investors	*601*	*600*		
Others	*6*	*6*		
International Financial Services	**4,918**	**4,887**	**1**	**-**
Asset Management	*184*	*181*		
Insurance	*296*	*352*		
BancWest	*2,434*	*2,362*		
Personal Finance	*1,248*	*1,238*		
Real Estate	*406*	*403*		
Wealth Management	*313*	*314*	*1*	
Europe Mediterranean	*37*	*37*		
Corporate & Institutional Banking	**1,195**	**1,179**	**-**	**-**
Corporate Banking	*275*	*273*		
Global Markets	*468*	*460*		
Securities Services	*452*	*446*		
Other Activities	**3**	**3**	**-**	**-**
Total goodwill	**7,551**	**7,493**	**2**	**-**
Negative goodwill				1
Change in value of goodwill recognised in the profit and loss account				**1**

4.m PROVISIONS FOR CONTINGENCIES AND CHARGES

- **Provisions for contingencies and charges by type**

In millions of euros	31 December 2020	Net additions to provisions	Provisions used	Changes in value recognised directly in equity	Effect of movements in exchange rates and other movements	30 June 2021
Provisions for employee benefits	6,604	227	(448)	(286)	74	6,171
Provisions for home savings accounts and plans	122	(21)				101
Provisions for credit commitments *(note 2.h)*	1,347	128	(29)		23	1,469
Provisions for litigations	519	248	(33)		9	743
Other provisions for contingencies and charges	956	168	(76)		(18)	1,030
Total provisions for contingencies and charges	**9,548**	**750**	**(586)**	**(286)**	**88**	**9,514**

4.n OFFSETTING OF FINANCIAL ASSETS AND LIABILITIES

The following tables present the amounts of financial assets and liabilities before and after offsetting. This information, required by IFRS 7, aims to enable the comparability with the accounting treatment applicable in accordance with generally accepted accounting principles in the United States (US GAAP), which are less restrictive than IAS 32 as regards offsetting.

“Amounts set off on the balance sheet” have been determined according to IAS 32. Thus, a financial asset and a financial liability are offset and the net amount presented on the balance sheet when, and only when, the Group has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Amounts set off derive mainly from repurchase agreements and derivative instruments traded with clearing houses.

The “impacts of master netting agreements and similar agreements” are relative to outstanding amounts of transactions within an enforceable agreement, which do not meet the offsetting criteria defined by IAS 32. This is the case of transactions for which offsetting can only be performed in case of default, insolvency or bankruptcy of one of the contracting parties.

“Financial instruments given or received as collateral” include guarantee deposits and securities collateral recognised at fair value. These guarantees can only be exercised in case of default, insolvency or bankruptcy of one of the contracting parties.

Regarding master netting agreements, the guarantee deposits received or given in compensation for the positive or negative fair values of financial instruments are recognised in the balance sheet in accrued income or expenses and other assets or liabilities.

In millions of euros, at 30 June 2021	Gross amounts of financial assets	Gross amounts set off on the balance sheet	Net amounts presented on the balance sheet	Impact of Master Netting Agreements (MNA) and similar agreements	Financial instruments received as collateral	Net amounts
Assets						
Financial instruments at fair value through profit or loss						
Securities	262,767		262,767			262,767
Loans and repurchase agreements	455,525	(167,556)	287,969	(54,536)	(221,001)	12,432
Derivative financial instruments (including derivatives used for hedging purposes)	658,721	(411,757)	246,964	(161,967)	(31,485)	53,512
Financial assets at amortised cost	977,032	(147)	976,885	(1,169)	(4,739)	970,977
of which repurchase agreements	*6,322*	*(147)*	*6,175*	*(1,169)*	*(4,739)*	*267*
Accrued income and other assets	132,475		132,475		(30,073)	102,402
of which guarantee deposits paid	*86,282*		*86,282*		*(30,073)*	*56,209*
Other assets not subject to offsetting	764,743		764,743			764,743
TOTAL ASSETS	**3,251,263**	**(579,460)**	**2,671,803**	**(217,672)**	**(287,298)**	**2,166,833**

In millions of euros, at 30 June 2021	Gross amounts of financial liabilities	Gross amounts set off on the balance sheet	Net amounts presented on the balance sheet	Impact of Master Netting Agreements (MNA) and similar agreements	Financial instruments given as collateral	Net amounts
Liabilities						
Financial instruments at fair value through profit or loss						
Securities	126,230		126,230			126,230
Deposits and repurchase agreements	496,937	(167,556)	329,381	(50,977)	(269,383)	9,021
Issued debt securities	68,465		68,465			68,465
Derivative financial instruments (including derivatives used for hedging purposes)	661,318	(411,757)	249,561	(161,967)	(34,228)	53,366
Financial liabilities at amortised cost	1,206,127	(147)	1,205,980	(4,728)	(24,987)	1,176,265
of which repurchase agreements	*30,700*	*(147)*	*30,553*	*(4,728)*	*(24,987)*	*838*
Accrued expense and other liabilities	107,891		107,891		(29,519)	78,372
of which guarantee deposits received	*61,680*		*61,680*		*(29,519)*	*32,161*
Other liabilities not subject to offsetting	463,832		463,832			463,832
TOTAL LIABILITIES	**3,130,800**	**(579,460)**	**2,551,340**	**(217,672)**	**(358,117)**	**1,975,551**

In millions of euros, at 31 December 2020	Gross amounts of financial assets	Gross amounts set off on the balance sheet	Net amounts presented on the balance sheet	Impact of Master Netting Agreements (MNA) and similar agreements	Financial instruments received as collateral	Net amounts
Assets						
Financial instruments at fair value through profit or loss						
Securities	167,927		167,927			167,927
Loans and repurchase agreements	369,927	(125,049)	244,878	(42,976)	(190,936)	10,966
Derivative financial instruments (including derivatives used for hedging purposes)	688,709	(396,329)	292,380	(196,222)	(40,626)	55,532
Financial assets at amortised cost	946,831		946,831	(554)	(2,460)	943,817
of which repurchase agreements	*3,155*		*3,155*	*(554)*	*(2,460)*	*141*
Accrued income and other assets	140,904		140,904		(51,135)	89,769
of which guarantee deposits paid	*103,199*		*103,199*		*(51,135)*	*52,064*
Other assets not subject to offsetting	695,571		695,571			695,571
TOTAL ASSETS	**3,009,869**	**(521,378)**	**2,488,491**	**(239,752)**	**(285,157)**	**1,963,582**

In millions of euros, at 31 December 2020	Gross amounts of financial liabilities	Gross amounts set off on the balance sheet	Net amounts presented on the balance sheet	Impact of Master Netting Agreements (MNA) and similar agreements	Financial instruments given as collateral	Net amounts
Liabilities						
Financial instruments at fair value through profit or loss						
Securities	94,263		94,263			94,263
Deposits and repurchase agreements	413,644	(125,049)	288,595	(42,250)	(231,061)	15,284
Issued debt securities	64,048		64,048			64,048
Derivative financial instruments (including derivatives used for hedging purposes)	692,258	(396,329)	295,929	(196,222)	(53,721)	45,986
Financial liabilities at amortised cost	1,088,648		1,088,648	(1,280)	(6,996)	1,080,372
of which repurchase agreements	*8,738*		*8,738*	*(1,280)*	*(6,996)*	*462*
Accrued expense and other liabilities	107,846		107,846		(36,263)	71,583
of which guarantee deposits received	*61,454*		*61,454*		*(36,263)*	*25,191*
Other liabilities not subject to offsetting	431,813		431,813			431,813
TOTAL LIABILITIES	**2,892,520**	**(521,378)**	**2,371,142**	**(239,752)**	**(328,041)**	**1,803,349**

5. FINANCING AND GUARANTEE COMMITMENTS

5.a FINANCING COMMITMENTS GIVEN OR RECEIVED

Contractual value of financing commitments given and received by the Group:

In millions of euros	30 June 2021	31 December 2020
Financing commitments given		
- to credit institutions	**6,701**	**6,646**
- to customers	**348,814**	**343,480**
Confirmed financing commitments	313,936	306,312
Other commitments given to customers	34,878	37,168
Total financing commitments given	**355,515**	**350,126**
of which stage 1	*329,474*	*332,035*
of which stage 2	*23,320*	*15,440*
of which stage 3	*1,190*	*1,001*
of which insurance activities	*1,531*	*1,650*
Financing commitments received		
- from credit institutions	**40,657**	**48,622**
- from customers	**6,400**	**5,511**
Total financing commitments received	**47,057**	**54,133**

5.b GUARANTEE COMMITMENTS GIVEN BY SIGNATURE

In millions of euros	30 June 2021	31 December 2020
Guarantee commitments given		
- to credit institutions	**52,367**	**40,912**
- to customers	**108,653**	**120,045**
Property guarantees	2,753	2,758
Sureties provided to tax and other authorities, other sureties	60,466	62,803
Other guarantees	45,434	54,484
Total guarantee commitments given	**161,020**	**160,957**
of which stage 1	*150,377*	*152,288*
of which stage 2	*9,510*	*7,305*
of which stage 3	*1,133*	*1,364*

5.c SECURITIES COMMITMENTS

In connection with the settlement date accounting for securities, commitments representing securities to be delivered or securities to be received are the following:

In millions of euros	30 June 2021	31 December 2020
Securities to be delivered	27,438	6,089
Securities to be received	22,354	7,857

6. ADDITIONAL INFORMATION

6.a CHANGES IN SHARE CAPITAL AND EARNINGS PER SHARE

At 30 June 2021, the share capital of BNP Paribas SA amounts to EUR 2,499,597,122, and was divided into 1,249,798,561 shares. The nominal value of each share is EUR 2, unchanged from 30 December 2020.

- **Ordinary shares issued by BNP Paribas and held by the Group**

	Proprietary transactions		Trading transactions (1)		Total	
	Number of shares	Carrying amount (in millions of euros)	Number of shares	Carrying amount (in millions of euros)	Number of shares	Carrying amount (in millions of euros)
Shares held at 31 December 2019	**726,451**	**38**	**481,070**	**25**	**1,207,521**	**63**
Disposals	(4,480)				(4,480)	
Net movements			861,848	22	861,848	22
Shares held at 30 June 2020	**721,971**	**38**	**1,342,918**	**47**	**2,064,889**	**85**
Net movements			(363,604)	(5)	(363,604)	(5)
Shares held at 31 December 2020	**721,971**	**38**	**979,314**	**42**	**1,701,285**	**80**
Net movements			(979,314)	(42)	(979,314)	(42)
Shares held at 30 June 2021	**721,971**	**38**	**-**	**-**	**721,971**	**38**

(1) Transactions realised in the framework of an activity of trading and arbitrage transactions on equity indices.

At 30 June 2021, the Group holds 721,971 BNP Paribas shares representing an amount of EUR 38 million, which was recognised as a decrease in equity.

- **Preferred shares and Undated Super Subordinated Notes eligible as Tier 1 regulatory capital**

- Preferred shares issued by the Group's foreign subsidiaries

BNP Paribas Personal Finance made in 2004 two issues of undated non-voting preferred shares through a structured entity governed by UK law and which is exclusively controlled.

On 15 April 2021, BNP Paribas Personal Finance redeemed the issues, for an amount of EUR 80 million. These notes paid a TEC 10 rate coupon.

- Undated Super Subordinated Notes issued by BNP Paribas SA

BNP Paribas SA has issued Undated Super Subordinated Notes which pay a fixed, fixed adjustable or floating rate coupon and are redeemable at the end of a fixed period and thereafter at each coupon date or every five years. If the notes are not redeemed at the end of this period, some of these issues will pay a coupon indexed to Euribor, Libor or a swap rate or a fixed-rate coupon.

On 25 February 2020, BNP Paribas SA has issued Undated Super Subordinated Notes for an amount of USD 1,750 million which pay a 4.5% fixed-rate coupon. These notes could be redeemed at the end of a period of 10 years. If the notes are not redeemed in 2030, a US 5-year Constant Maturity Treasury rate coupon will be paid half-yearly. This issue is eligible to Additional Tier 1 capital.

On 17 October 2020, BNP Paribas SA redeemed the October 2005 issue, for an amount of USD 400 million. These notes paid a 6.25% fixed-rate coupon.

On 19 February 2021, BNP Paribas SA has issued Undated Super Subordinated Notes for an amount of USD 1,250 million which pay a 4.625% fixed-rate coupon. These notes could be redeemed at the end of a period of 10 years. If the notes are not redeemed in 2031, a US 5-year Constant Maturity Treasury rate coupon will be paid half-yearly. This issue is eligible to Additional Tier 1 capital.

On 8 March 2021, BNP Paribas SA redeemed the June 2007 issue, for an amount of USD 600 million. These notes paid a 6.5% fixed-rate coupon.

On 30 March 2021, BNP Paribas SA redeemed the March 2016 issue, for an amount of USD 1,500 million, before the first call date. These notes paid a 7.625% fixed-rate coupon.

- The following table summarises the characteristics of these various issues:

Date of issue	Currency	Amount (in millions of currency units)	Coupon payment date	Rate and term before 1st call date		Rate after 1st call date
July 2006	EUR	150	annual	5.450%	20 years	3-month Euribor + 1.920%
June 2007	USD	1,100	semi-annual	7.195%	30 years	USD 3-month Libor + 1.290%
June 2015	EUR	750	semi-annual	6.125%	7 years	EUR 5-year swap + 5.230%
August 2015	USD	1,500	semi-annual	7.375%	10 years	USD 5-year swap + 5.150%
December 2016	USD	750	semi-annual	6.750%	5.25 years	USD 5-year swap +4.916%
November 2017	USD	750	semi-annual	5.125%	10 years	USD 5-year swap +2.838%
August 2018	USD	750	semi-annual	7.000%	10 years	USD 5-year swap + 3.980%
March 2019	USD	1,500	semi-annual	6.625%	5 years	USD 5-year swap + 4.149%
July 2019	AUD	300	semi-annual	4.500%	5,5 years	AUD 5-year swap + 3.372%
February 2020	USD	1,750	semi-annual	4.500%	10 years	US 5 years CMT + 2.944%
February 2021	USD	1,250	semi-annual	4.625%	10 years	US 5 years CMT + 3.340%
Total at 30 June 2021 in euro-equivalent historical value		**9,211** (1)				

(1) Net of shares held in treasury by Group entities

BNP Paribas has the option of not paying interest due on these Undated Super Subordinated Notes. Unpaid interest is not carried forward.

For the notes issued before 2015, the absence of coupon payment is conditional on the absence of dividend payment on BNP Paribas SA ordinary shares or on Undated Super Subordinated Note equivalents during the previous year. Interest due is payable once dividend payment on BNP Paribas SA ordinary shares resumes.

The contracts relating to these Undated Super Subordinated Notes contain a loss absorption clause. Under the terms of this clause, in the event of insufficient regulatory capital, the nominal value of the notes may be reduced in order to serve as a new basis for the calculation of the related coupons until the capital deficiency is made up and the nominal value of the notes is increased to its original amount.

The proceeds from these issues are recorded in equity under "Capital and retained earnings". In accordance with IAS 21, issues denominated in foreign currencies are recognised at their historical value based on their translation into euros at the issue date. Interest on the instruments is treated in the same way as dividends.

At 30 June 2021, the BNP Paribas Group held EUR 10 million of Undated Super Subordinated Notes which were deducted from shareholders' equity.

- **Earnings per share**

Basic earnings per share are calculated by dividing the net income for the period attributable to holders of ordinary shares by the weighted average number of ordinary shares outstanding during the period. The net income attributable to ordinary shareholders is determined by deducting the net income attributable to holders of preferred shares.

Diluted earnings per share correspond to the net income for the period attributable to holders of ordinary shares, divided by the weighted average number of shares outstanding as adjusted for the maximum effect of the conversion of dilutive equity instruments into ordinary shares. In-the-money stock subscription options are taken into account in the diluted earnings per share calculation, as are performance shares granted under the Global Share-based Incentive Plan. Conversion of these instruments would have no effect on the net income figure used in this calculation.

	First half 2021	First half 2020
Net profit used to calculate basic and diluted earnings per ordinary share *(in millions of euros)* (1)	**4,444**	**3,352**
Weighted average number of ordinary shares outstanding during the year	**1,248,309,503**	**1,248,017,591**
Effect of potentially dilutive ordinary shares	-	206
Weighted average number of ordinary shares used to calculate diluted earnings per share	**1,248,309,503**	**1,248,017,797**
Basic earnings per share (in euros)	**3.56**	**2.69**
Diluted earnings per share (in euros)	**3.56**	**2.69**

(1) The net profit used to calculate basic and diluted earnings per share is the net profit attributable to equity shareholders, adjusted for the remuneration on the Undated Super Subordinated Notes issued by BNP Paribas SA (treated as preferred share equivalents), which for accounting purposes is handled as dividends, as well as the related foreign exchange gain or loss impact recognised directly in shareholders' equity in case of repurchase.

At 30 June 2021, the dividend per share paid out of the 2020 net income amounted to EUR 1.11. In accordance of the Annual General Meeting of 19 May 2020, no dividend was paid out of the 2019 net income.

6.b LEGAL PROCEEDINGS AND ARBITRATION

BNP Paribas (the "Bank") is party as a defendant in various claims, disputes and legal proceedings (including investigations by judicial or supervisory authorities) in a number of jurisdictions arising in the ordinary course of its business activities, including inter alia in connection with its activities as market counterparty, lender, employer, investor and taxpayer.
The related risks have been assessed by the Bank and are subject, where appropriate, to provisions disclosed in note 4.m "Provisions for liabilities and charges"; a provision is recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle an obligation arising from a past event and a reliable estimate can be made of the amount of the obligation.
The main contingent liabilities representative of pending legal, governmental, or arbitral proceedings as of June 30, 2021 are described below. The Bank currently considers that none of these proceedings are likely to have a material adverse effect on its financial position or profitability; however, the outcome of legal or governmental proceedings is by nature unpredictable.

The Bank and certain of its subsidiaries are defendants in several actions pending before the United States Bankruptcy Court Southern District of New York brought by the Trustee appointed for the liquidation of Bernard L. Madoff Investment Securities LLC ("BLMIS"). These actions, known generally as "clawback claims", are similar to those brought by the BLMIS Trustee against numerous institutions, and seek recovery of amounts allegedly received by the BNP Paribas entities from BLMIS or indirectly through BLMIS-related "feeder funds" in which BNP Paribas entities held interests. The BLMIS Trustee claims in these actions that the amounts which BNP Paribas entities received are avoidable and recoverable under the U.S. Bankruptcy Code and New York state law. In the aggregate, the amount initially sought to be recovered in these actions approximated USD 1.3 billion. BNP Paribas has substantial and credible defenses to these actions and is defending against them vigorously.

In two decisions dated 22 November 2016 and 3 October 2018, the Bankruptcy Court rejected most of the claims brought by the BLMIS Trustee against BNP Paribas entities. On 25 February 2019 the United States Court of Appeals for the Second Circuit reversed the Bankruptcy Court's 22 November 2016 decision. The defendants filed a petition with the Supreme Court requesting it review the Second Circuit's decision on 29 August 2019 but this was denied by the Court. By common agreement amongst the parties all proceedings have been stayed pending a decision by the Court of Appeal regarding a separate proceeding between the Trustee and a third party which could affect the clawback claims against the Bank.

Litigation was brought in Belgium by minority shareholders of the previous Fortis Group against the Société fédérale de Participations et d'Investissement, Ageas and BNP Paribas seeking (amongst other things) damages from BNP Paribas as restitution for part of the BNP Paribas Fortis shares that were contributed to BNP Paribas in 2009, on the ground that the transfer of these shares was null and void. On 29 April 2016, the Brussels Commercial court decided to stay the proceedings until the resolution of the pending Fortis criminal proceeding in Belgium. The criminal proceeding, in which the Public Prosecutor had requested a dismissal, is now definitively closed, as the Council Chamber of the Brussels Court of first instance issued on 4 September 2020 a ruling (which has since become final) that the charges were time-barred. Certain minority shareholders are continuing the civil proceedings against BNP Paribas and the Société fédérale de Participations et d'Investissement before the Brussels Commercial court; BNP Paribas continues to defend itself vigorously against the allegations of these shareholders.

Like many other financial institutions in the banking, investment, mutual funds and brokerage sectors, the Bank has received or may receive requests for information from supervisory, governmental or self-regulated agencies. The Bank responds to such requests, and cooperates with the relevant authorities and regulators and seeks to address and remedy any issues they may raise.

The U.S. regulatory and law enforcement authorities are currently investigating or requesting information in relation to certain activities as reported in the international financial press in relation to the U.S. treasuries market and U.S. Agency bonds. The Bank, which has received some requests for information, is cooperating with investigations and is responding to requests for information. The outcome and potential impact of these investigations or requests for information is difficult to predict before their close and the subsequent discussions with the U.S. authorities. It should be noted that it has been reported that a number of financial institutions are involved in these investigations or requests for information and that it is sometimes the case that reviews carried out in connection therewith may lead to settlements including in particular the payment of fines or significant penalties depending on the circumstances specific to each situation.

On 26 February 2020, the Paris Criminal Court found BNP Paribas Personal Finance guilty of misleading commercial practice and concealment of this practice. BNP Paribas Personal Finance was ordered to pay a fine of EUR 187,500 and damages and legal fees to the civil plaintiffs. The damages award was of immediate effect. BNP Paribas Personal Finance filed an appeal on the merits on 6 March 2020. It also sought to suspend the immediate effectiveness of the judgment, which the court rejected by decision dated 25 September 2020. BNP Paribas Personal Finance paid to the civil plaintiffs the damages awarded, without prejudice to the pending appeal before the Court of Appeal of Paris and to the civil legal proceedings that are otherwise ongoing.

There are no other legal, governmental or arbitral proceedings (including any such proceedings which are pending or threatened) that could have, or during the last twelve months have had, significant effects on the Bank's financial condition or profitability.

6.c BUSINESS COMBINATIONS AND LOSS OF CONTROL OR SIGNIFICANT INFLUENCE

- **Allfunds Group Plc**

On 3 October 2020, a new partnership was established between BNP Paribas and Allfunds (AFB), a European market leader in fund distribution platforms. This operation generated an overall gain of EUR 371 million before tax, recognised in the profit and loss account.

At 31 December 2020, BNP Paribas held a stake of 22.5% in AFB UK Ltd and exercised a significant influence.

On 23 April 2021, the Group participated in the initial public offering of Allfunds, contributing 6.7% of the capital. Following this operation, the Group retains a significant influence and holds 15.8% of the capital of AFB Group Plc. This operation generated an overall gain of EUR 300 million before tax, recognised in the profit and loss account.

6.d EVENTS AFTER THE REPORTING PERIOD

On 13 July 2021, BNP Paribas SA purchased the residual 50% stake in Verner Investissements, the holding company of Exane entities.

The Group BNP Paribas has therefore taken exclusive control of this entity and will fully consolidate it from the second half of 2021.

This operation will enable the Group BNP Paribas to offer institutional investors and companies a full range of services on equities and derivatives, positioning it as a leading player in global equity markets.

The estimated impact on the Group's balance sheet at acquisition date is approximately EUR 6 billion, of which EUR 3.4 billion in financial assets at fair value through profit or loss.

6.e MINORITY INTERESTS

In millions of euros	Capital and retained earnings	Changes in assets and liabilities recognised directly in equity that will not be reclassified to profit or loss	Changes in assets and liabilities recognised directly in equity that may be reclassified to profit or loss	Minority interests
Capital and retained earnings at 1 January 2020	**4,442**	**17**	**(67)**	**4,392**
Appropriation of net income for 2019	**(80)**			**(80)**
Increases in capital and issues				-
Share-based payment plans				-
Remuneration on preferred shares	(1)			(1)
Impact of internal transactions on minority shareholders				-
Movements in consolidation scope impacting minority shareholders				-
Acquisitions of additional interests or partial sales of interests				-
Change in commitments to repurchase minority shareholders' interests	118			118
Other movements	(1)			(1)
Changes in assets and liabilities recognised directly in equity		(8)	(35)	(43)
Net income for first half of 2020	**183**			**183**
Capital and retained earnings at 30 June 2020	**4,661**	**9**	**(102)**	**4,568**
Appropriation of net income for 2019	**(4)**			**(4)**
Increases in capital and issues				-
Reduction or redemption of capital				-
Remuneration on preferred shares				-
Impact of internal transactions on minority shareholders				-
Movements in consolidation scope impacting minority shareholders	5			5
Acquisitions of additional interests or partial sales of interests	1			1
Change in commitments to repurchase minority shareholders' interests	(187)			(187)
Other movements	(1)			(1)
Changes in assets and liabilities recognised directly in equity			3	3
Net income for second half of 2020	**165**			**165**
Capital and retained earnings at 31 December 2020	**4,640**	**9**	**(99)**	**4,550**
Appropriation of net income for 2020	**(221)**			**(221)**
Increases in capital and issues	10			10
Reduction or redemption of capital	(73)			(73)
Remuneration on preferred shares				-
Impact of internal transactions on minority shareholders				-
Movements in consolidation scope impacting minority shareholders	(125)			(125)
Acquisitions of additional interests or partial sales of interests	37			37
Change in commitments to repurchase minority shareholders' interests	66			66
Other movements	12			12
Changes in assets and liabilities recognised directly in equity		6	34	40
Net income for first half of 2021	**176**			**176**
Capital and retained earnings at 30 June 2021	**4,522**	**15**	**(65)**	**4,472**

- **Main minority interests**

The assessment of the material nature of minority interests is based on the contribution of the relevant subsidiaries to the Group balance sheet (before elimination of intra-group balances and transactions) and to the Group profit and loss account.

	30 June 2021	First half 2021						
In millions of euros	Total assets before elimination of intra-group transactions	Revenues	Net income	Net income and changes in assets and liabilities recognised directly in equity	Minority shareholders' interest (%)	Net income attributable to minority interests	Net income and changes in assets and liabilities recognised directly in equity - attributable to minority interests	Dividends paid to minority shareholders
Contribution of the entities belonging to the BGL BNP Paribas group	93,376	883	281	273	34%	79	73	163
Other minority interests						97	143	58
TOTAL						176	216	221

	31 December 2020	First half 2020						
In millions of euros	Total assets before elimination of intra-group transactions	Revenues	Net income	Net income and changes in assets and liabilities recognised directly in equity	Minority shareholders' interest (%)	Net income attributable to minority interests	Net income and changes in assets and liabilities recognised directly in equity - attributable to minority interests	Dividends paid to minority shareholders
Contribution of the entities belonging to the BGL BNP Paribas group	89,607	839	278	245	34%	84	75	51
Other minority interests						99	65	30
TOTAL						183	140	81

There are no particular contractual restrictions on the assets of BGL BNP Paribas related to the presence of the minority shareholder.

- **Internal restructuring that led to a change in minority shareholders' interest in the equity of subsidiaries**

No significant internal restructuring operation occurred in 2021, nor in 2020.

- **Acquisitions of additional interests and partial sales of interests leading to changes in minority interests in the equity of subsidiaries**

In millions of euros	First half 2021		First half 2020	
	Attributable to shareholders	Minority interests	Attributable to shareholders	Minority interests
BNPP Bank Polska				
Partial disposal of 1.26% of the total share, reducing the Group's share to 87.43%	(11)	37		
Other			(1)	
Total	**(11)**	**37**	**(1)**	**-**

- **Commitments to repurchase minority shareholders' interests**

In connection with the acquisition of certain entities, the Group granted minority shareholders put options on their holdings.
The total value of these commitments, which are recorded as a reduction in shareholders' equity, amounts to EUR 391 million at 30 June 2021, compared with EUR 500 million at 31 December 2020.

6.f FAIR VALUE OF FINANCIAL INSTRUMENTS CARRIED AT AMORTISED COST

The information supplied in this note must be used and interpreted with the greatest caution for the following reasons:

- These fair values are an estimate of the value of the relevant instruments as at 30 June 2021. They are liable to fluctuate from day to day as a result of changes in various parameters, such as interest rates and credit quality of the counterparty. In particular, they may differ significantly from the amounts actually received or paid on maturity of the instrument. In most cases, the fair value is not intended to be realised immediately, and in practice might not be realised immediately. Consequently, this fair value does not reflect the actual value of the instrument to BNP Paribas as a going concern;
- Most of these fair values are not meaningful, and hence are not taken into account in the management of the commercial banking activities which use these instruments;
- Estimating a fair value for financial instruments carried at historical cost often requires the use of modelling techniques, hypotheses and assumptions that may vary from bank to bank. This means that comparisons between the fair values of financial instruments carried at historical cost as disclosed by different banks may not be meaningful;
- The fair values shown below do not include the fair values of finance lease transactions, non-financial instruments such as property, plant and equipment, goodwill and other intangible assets such as the value attributed to demand deposit portfolios or customer relationships. Consequently, these fair values should not be regarded as the actual contribution of the instruments concerned to the overall valuation of the BNP Paribas Group.

In millions of euros, at 30 June 2021	Estimated fair value				Carrying value
	Level 1	Level 2	Level 3	Total	
FINANCIAL ASSETS					
Loans and advances to credit institutions and customers [(1)]		81,039	746,005	827,044	818,596
Debt securities at amortised cost *(note 4.d)*	91,911	25,393	3,286	120,590	118,526
FINANCIAL LIABILITIES					
Deposits from credit institutions and customers		1,206,752		1,206,752	1,205,980
Debt securities *(note 4.g)*	69,189	103,987		173,176	171,480
Subordinated debt *(note 4.g)*	16,034	7,974		24,008	23,162

[(1)] Finance leases excluded

In millions of euros, at 31 December 2020	Estimated fair value				Carrying value
	Level 1	Level 2	Level 3	Total	
FINANCIAL ASSETS					
Loans and advances to credit institutions and customers [(1)]		68,617	735,232	803,849	790,444
Debt securities at amortised cost *(note 4.d)*	93,011	25,190	3,261	121,462	118,316
FINANCIAL LIABILITIES					
Deposits from credit institutions and customers		1,089,464		1,089,464	1,088,648
Debt securities *(note 4.g)*	45,760	103,990		149,750	148,303
Subordinated debt *(note 4.g)*	15,568	7,683		23,251	22,474

[(1)] Finance leases excluded

The valuation techniques and assumptions used by BNP Paribas ensure that the fair value of financial assets and liabilities carried at amortised cost is measured on a consistent basis throughout the Group. Fair value is based on prices quoted in an active market when these are available. In other cases, fair value is determined using valuation techniques such as discounting of estimated future cash flows for loans, liabilities and debt securities at amortised cost, or specific valuation models for other financial instruments as described in note 1, *Summary of significant accounting policies applied by the BNP Paribas Group*. The description of the fair value hierarchy levels is also presented in the accounting principles (see note 1.e.10). In the case of loans, liabilities and debt securities at amortised cost that have an initial maturity of less than one year (including demand deposits) or of most regulated savings products, fair value equates to carrying amount. These instruments have been classified in Level 2, except for loans to customers, which are classified in Level 3.

6.g SCOPE OF CONSOLIDATION

BNP Paribas, a *société anonyme* (Public Limited Company), registered in France, is the Group's lead company, which holds key positions in its two areas of activity: Retail Banking and Services and Corporate and Institutional Banking. During the year, the parent company did not change its name.

BNP Paribas has its principal place of business in France and its head office is located at 16 boulevard des Italiens 75009 Paris, France.

			30 June 2021				31 December 2020			
Business	Name	Country	Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
	BNP Paribas SA	France								
	BNPP SA (Argentina branch)	Argentina	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Australia branch)	Australia	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Austria branch)	Austria	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Bahrain branch)	Bahrain	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Belgium branch)	Belgium	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Bulgaria branch)	Bulgaria	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Canada branch)	Canada	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Cayman islands branch)	Cayman Islands								S1
	BNPP SA (Czech Republic branch)	Czech Rep.	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Denmark branch)	Denmark	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Finland branch)	Finland	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Germany branch)	Germany	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Hong Kong branch)	Hong Kong	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Hungary branch)	Hungary	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (India branch)	India	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Ireland branch)	Ireland	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Italy branch)	Italy	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Japan branch)	Japan	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Jersey branch)	Jersey				S1	Full	100.0%	100.0%	
	BNPP SA (Kuwait branch)	Kuwait	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Luxemburg branch)	Luxemburg	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Malaysia branch)	Malaysia	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Monaco branch)	Monaco	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Netherlands branch)	Netherlands	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Norway branch)	Norway	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Panama branch)	Panama	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Philippines branch)	Philippines	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Poland branch)	Poland	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Portugal branch)	Portugal	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Qatar branch)	Qatar	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Republic of Korea branch)	Rep. of Korea	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Romania branch)	Romania	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Saudi Arabia branch)	Saudi Arabia	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Singapore branch)	Singapore	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (South Africa branch)	South Africa	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Spain branch)	Spain	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Sweden branch)	Sweden	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Taiwan branch)	Taiwan	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Thailand branch)	Thailand	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (United Arab Emirates branch)	United Arab Emirates	Full	100.0%	100.0%		Full	100.0%	100.0%	

			30 June 2021				31 December 2020			
Business	Name	Country	Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
	BNPP SA (United Kingdom branch)	UK	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (United States of America branch)	USA	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP SA (Viet Nam branch)	Viet Nam	Full	100.0%	100.0%		Full	100.0%	100.0%	
RETAIL BANKING & SERVICES										
DOMESTIC MARKETS										
Retail Banking - France										
	Banque de Wallis et Futuna	France	Full[(1)]	51.0%	51.0%		Full[(1)]	51.0%	51.0%	
	BNPP Antilles Guyane	France	Full[(1)]	100.0%	100.0%		Full[(1)]	100.0%	100.0%	
	BNPP Développement	France	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Développement Oblig	France	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Factor	France	Full[(1)]	100.0%	100.0%		Full[(1)]	100.0%	100.0%	
	BNPP Factor (Spain branch)	Spain	Full[(1)]	100.0%	100.0%		Full[(1)]	100.0%	100.0%	
	BNPP Factor Sociedade Financeira de Credito SA	Portugal	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Nouvelle Calédonie	France	Full[(1)]	100.0%	100.0%		Full[(1)]	100.0%	100.0%	
	BNPP Réunion	France	Full[(1)]	100.0%	100.0%		Full[(1)]	100.0%	100.0%	
	Compagnie pour le Financement des Loisirs	France	Equity	46.0%	46.0%		Equity	46.0%	46.0%	
	Copartis	France	Full	100.0%	100.0%		Full	100.0%	100.0%	D1/V4
	Euro Securities Partners	France	Equity[(3)]	50.0%	50.0%		Equity[(3)]	50.0%	50.0%	
	GIE Ocean	France	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Jivago Holding	France	Full	100.0%	100.0%	E3				
	LVG Transports	France	Full	100.0%	100.0%	E1				
	Partecis	France	Equity[(3)]	50.0%	50.0%		Equity[(3)]	50.0%	50.0%	
	Paylib Services	France	Equity	14.3%	14.3%		Equity	14.3%	14.3%	
	Portzamparc	France	Full[(1)]	100.0%	100.0%		Full[(1)]	100.0%	100.0%	
	Protection 24	France	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Société Lairoise de Participations	France	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Société Phocéenne de Participations	France	Equity	13.5%	13.5%	E1				
Retail Banking - Belgium										
	Axepta BNPP Benelux	Belgium	Full	100.0%	99.9%		Full	100.0%	99.9%	E1
	Bancontact Paytoniq Company	Belgium	Equity	22.5%	22.5%		Equity	22.5%	22.5%	
	Banking Funding Company SA	Belgium	Equity	33.5%	33.5%		Equity	33.5%	33.5%	
	BASS Master Issuer NV[t]	Belgium	Full	-	-		Full	-	-	
	Belgian Mobile ID	Belgium	Equity	12.2%	12.2%	V3	Equity	15.0%	15.0%	
	BNPP Commercial Finance Ltd	UK	Full	100.0%	99.9%		Full	100.0%	99.9%	
	BNPP Factor AB	Sweden	Full	100.0%	99.9%		Full	100.0%	99.9%	
	BNPP Factor AS	Denmark	Full	100.0%	99.9%		Full	100.0%	99.9%	
	BNPP Factor GmbH	Germany	Full	100.0%	99.9%		Full	100.0%	99.9%	
	BNPP Factor NV	Netherlands	Full	100.0%	99.9%		Full	100.0%	99.9%	
	BNPP Factoring Support	Netherlands	Full	100.0%	99.9%		Full	100.0%	99.9%	
	BNPP Fortis	Belgium	Full	99.9%	99.9%		Full	99.9%	99.9%	
	BNPP Fortis (Spain branch)	Spain	Full	99.9%	99.9%		Full	99.9%	99.9%	
	BNPP Fortis (United States of America branch)	USA	Full	99.9%	99.9%		Full	99.9%	99.9%	

			30 June 2021				31 December 2020			
Business	Name	Country	Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
	BNPP Fortis Factor NV	Belgium	Full	100.0%	99.9%		Full	100.0%	99.9%	
	BNPP Fortis Film Finance	Belgium	Full	99.0%	98.9%		Full	99.0%	98.9%	
	BNPP Fortis Funding SA	Luxemburg	Full	100.0%	99.9%		Full	100.0%	99.9%	
	BNPP FPE Belgium	Belgium	Full	100.0%	99.9%		Full	100.0%	99.9%	
	BNPP FPE Expansion	Belgium	Full	100.0%	99.9%		Full	100.0%	99.9%	
	BNPP FPE Management	Belgium	Full	100.0%	99.9%		Full	100.0%	99.9%	
	Bpost Banque	Belgium	Equity[(3)]	50.0%	50.0%		Equity[(3)]	50.0%	50.0%	
	Credissimo	Belgium	Full	100.0%	99.9%		Full	100.0%	99.9%	
	Credissimo Hainaut SA	Belgium	Full	99.7%	99.7%		Full	99.7%	99.7%	
	Crédit pour Habitations Sociales	Belgium	Full	81.7%	81,6%		Full	81.7%	81.6%	
	Epimede[s]	Belgium	Equity	-	-		Equity	-	-	
	Esmee Master Issuer[t]	Belgium	Full	-	-		Full	-	-	
	Immo Beaulieu	Belgium								S3
	Immobilière Sauveniere SA	Belgium	Full	100.0%	99.9%		Full	100.0%	99.9%	
	Isabel SA NV	Belgium	Equity	25.3%	25.3%		Equity	25.3%	25.3%	
	Microstart	Belgium	Full	42.3%	76.8%	V4	Full	70.3%	76.7%	
	Private Equity Investments (a)	BE/FR/LU	FV	-	-		FV	-	-	
	Sagip	Belgium	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Sowo Invest SA NV	Belgium	Full	87.5%	87.5%		Full	87.5%	87.5%	
Retail Banking - Luxemburg										
	BGL BNPP	Luxemburg	Full	66.0%	65.9%		Full	66.0%	65.9%	
	BGL BNPP (Germany branch)	Germany	Full	66.0%	65.9%		Full	66.0%	65.9%	
	BNPP Lease Group Luxembourg SA	Luxemburg	Full	100.0%	65.9%		Full	100.0%	65.9%	
	BNPP SB Re	Luxemburg	Full[(2)]	100.0%	100.0%		Full[(2)]	100.0%	100.0%	
	Cofhylux SA	Luxemburg	Full	100.0%	65.9%		Full	100.0%	65.9%	
	Compagnie Financière Ottomane SA	Luxemburg	Full	97.3%	97.3%		Full	97.3%	97.3%	
	Le Sphinx Assurances Luxembourg SA	Luxemburg	Full[(2)]	100.0%	100.0%		Full[(2)]	100.0%	100.0%	
	Lion International Investments SA	Luxemburg	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Luxhub SA	Luxemburg	Equity	28.0%	18.5%		Equity	28.0%	18.5%	E1
	Visalux	Luxemburg	Equity	25.3%	16.7%		Equity	25.3%	16.7%	
Retail Banking - Italy										
	Artigiancassa SPA	Italy	Full	73.9%	73.9%		Full	73.9%	73.9%	
	Axepta SPA	Italy	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Banca Nazionale Del Lavoro SPA	Italy	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNL Finance SPA	Italy	Full	100.0%	100.0%		Full	100.0%	100.0%	
	EMF IT 2008 1 SRL[t]	Italy	Full	-	-		Full	-	-	
	Era Uno SRL[t]	Italy	Full	-	-	E2				
	Eutimm SRL	Italy	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Immera SRL[t]	Italy	Full	-	-	E1				
	International Factors Italia SPA	Italy	Full	99.7%	99.7%		Full	99.7%	99.7%	
	Permicro SPA	Italy	Equity	21.6%	21.6%		Equity	21.6%	21.6%	
	Serfactoring SPA	Italy	Equity	27.0%	26.9%		Equity	27.0%	26.9%	

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Business	**Name**	**Country**	**Method**	**Voting (%)**	**Interest (%)**	**Ref.**	**Method**	**Voting (%)**	**Interest (%)**	**Ref.**
	Servizio Italia SPA	Italy	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Sviluppo HQ Tiburtina SRL	Italy	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Tierre Securitisation SRL[t]	Italy	Full	-	-		Full	-	-	
	Vela ABS SRL[t]	Italy								S3
	Vela Consumer 2 SRL[t]	Italy	Full	-	-		Full	-	-	
	Vela Consumer SRL[t]	Italy								S1
	Vela Home SRL[t]	Italy	Full	-	-		Full	-	-	
	Vela Mortgages SRL[t]	Italy	Full	-	-		Full	-	-	
	Vela OBG SRL[t]	Italy	Full	-	-		Full	-	-	
	Vela RMBS SRL[t]	Italy	Full	-	-		Full	-	-	
Arval										
	Artel	France	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	Arval AB	Sweden	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	Arval AS	Denmark	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	Arval AS Norway	Norway	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	Arval Austria GmbH	Austria	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	Arval Belgium NV SA	Belgium	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	Arval Benelux BV	Netherlands	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	Arval Brasil Ltda	Brazil	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	Arval BV	Netherlands	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	Arval CZ SRO	Czech Rep.	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	Arval Deutschland GmbH	Germany	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	Arval Fleet Services	France	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	Arval Fuhrparkmanagement GmbH	Austria				S4	Full(2)	100.0%	99.9%	E3
	Arval Hellas Car Rental SA	Greece	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	Arval India Private Ltd	India				S3	Full(2)	100.0%	99.9%	
	Arval LLC	Russia	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	Arval Luxembourg SA	Luxemburg	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	Arval Magyarorszag KFT	Hungary	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	Arval Maroc SA	Morocco	Full(2)	100.0%	89.0%		Full(2)	100.0%	89.0%	
	Arval OY	Finland	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	Arval Relsa SPA	Chile	Equity	50.0%	50.0%		Equity	50.0%	50.0%	
	Arval Schweiz AG	Switzerland	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	Arval Service Lease	France	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	Arval Service Lease Aluger Operational Automoveis SA	Portugal	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	Arval Service Lease Italia SPA	Italy	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	Arval Service Lease Polska SP ZOO	Poland	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	Arval Service Lease Romania SRL	Romania	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	Arval Service Lease SA	Spain	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	Arval Slovakia SRO	Slovakia	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	Arval Trading	France	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	Arval UK Group Ltd	UK	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	

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Business	Name	Country	Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
	Arval UK Leasing Services Ltd	UK	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	Arval UK Ltd	UK	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	BNPP Fleet Holdings Ltd	UK	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	Cent ASL	France	Full(2)	100.0%	99.9%	E2				
	Cofiparc	France	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	Greenval Insurance DAC	Ireland	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	V3
	Locadif	Belgium	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	Louveo	France	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	Public Location Longue Durée	France	Full(2)	100.0%	99.9%		Full(2)	100.0%	99.9%	
	TEB Arval Arac Filo Kiralama AS	Turkey	Full(2)	100.0%	75.0%		Full(2)	100.0%	75.0%	
Leasing Solutions										
	All In One Vermietung GmbH	Austria	Full	100.0%	83.0%		Full	100.0%	83.0%	
	Aprolis Finance	France	Full	51.0%	42.3%		Full	51.0%	42.3%	
	Artegy	France	Full	100.0%	83.0%		Full	100.0%	83.0%	
	BNL Leasing SPA	Italy	Full	100.0%	95.5%		Full	100.0%	95.5%	
	BNPP 3 Step IT	France	Full	51.0%	42.3%		Full	51.0%	42.3%	
	BNPP 3 Step IT (Belgium branch)	Belgium	Full	51.0%	42.3%		Full	51.0%	42.3%	
	BNPP 3 Step IT (Germany branch)	Germany	Full	51.0%	42.3%		Full	51.0%	42.3%	
	BNPP 3 Step IT (Italy branch)	Italy	Full	51.0%	42.3%		Full	51.0%	42.3%	
	BNPP 3 Step IT (Netherlands branch)	Netherlands	Full	51.0%	42.3%		Full	51.0%	42.3%	
	BNPP 3 Step IT (United Kingdom branch)	UK	Full	51.0%	42.3%		Full	51.0%	42.3%	
	BNPP Finansal Kiralama AS	Turkey	Full	100.0%	82.5%		Full	100.0%	82.5%	
	BNPP Lease Group	France	Full(1)	100.0%	83.0%		Full(1)	100.0%	83.0%	
	BNPP Lease Group (Germany branch)	Germany	Full(1)	100.0%	83.0%		Full(1)	100.0%	83.0%	
	BNPP Lease Group (Italy branch)	Italy	Full(1)	100.0%	83.0%		Full(1)	100.0%	83.0%	
	BNPP Lease Group (Portugal branch)	Portugal	Full(1)	100.0%	83.0%		Full(1)	100.0%	83.0%	
	BNPP Lease Group (Spain branch)	Spain	Full(1)	100.0%	83.0%		Full(1)	100.0%	83.0%	
	BNPP Lease Group Belgium	Belgium	Full	100.0%	83.0%		Full	100.0%	83.0%	
	BNPP Lease Group GmbH & Co KG	Austria				S4	Full	100.0%	83.0%	
	BNPP Lease Group Leasing Solutions SPA	Italy	Full	100.0%	95.5%		Full	100.0%	95.5%	
	BNPP Lease Group PLC	UK	Full	100.0%	83.0%		Full	100.0%	83.0%	
	BNPP Lease Group Rentals Ltd	UK				S1	Full	100.0%	83.0%	
	BNPP Lease Group SP ZOO	Poland	Full	100.0%	83.0%		Full	100.0%	83.0%	
	BNPP Leasing Services	Poland	Full	100.0%	87.4%	V3	Full	100.0%	88.7%	
	BNPP Leasing Solution AS	Norway	Full	100.0%	83.0%		Full	100.0%	83.0%	
	BNPP Leasing Solutions	Luxemburg	Full	100.0%	83.0%		Full	100.0%	83.0%	
	BNPP Leasing Solutions AB	Sweden	Full	100.0%	83.0%	E1				
	BNPP Leasing Solutions IFN SA	Romania	Full	100.0%	83.0%		Full	100.0%	83.0%	
	BNPP Leasing Solutions Ltd	UK	Full	100.0%	83.0%		Full	100.0%	83.0%	
	BNPP Leasing Solutions NV	Netherlands	Full	100.0%	83.0%		Full	100.0%	83.0%	
	BNPP Leasing Solutions Suisse SA	Switzerland	Full	100.0%	83.0%		Full	100.0%	83.0%	
	BNPP Rental Solutions Ltd	UK	Full	100.0%	83.0%		Full	100.0%	83.0%	

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Business	Name	Country	Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
	BNPP Rental Solutions SPA	Italy	Full	100.0%	83.0%		Full	100.0%	83.0%	
	Claas Financial Services	France	Full(1)	51.0%	42.3%		Full(1)	51.0%	42.3%	
	Claas Financial Services (Germany branch)	Germany	Full(1)	51.0%	42.3%		Full(1)	51.0%	42.3%	
	Claas Financial Services (Italy branch)	Italy	Full(1)	51.0%	42.3%		Full(1)	51.0%	42.3%	
	Claas Financial Services (Poland branch)	Poland	Full(1)	51.0%	42.3%		Full(1)	51.0%	42.3%	
	Claas Financial Services (Spain branch)	Spain	Full(1)	51.0%	42.3%		Full(1)	51.0%	42.3%	
	Claas Financial Services Ltd	UK	Full	51.0%	42.3%		Full	51.0%	42.3%	
	CMV Mediforce	France								S4
	CNH Industrial Capital Europe	France	Full(1)	50.1%	41.6%		Full(1)	50.1%	41.6%	
	CNH Industrial Capital Europe (Belgium branch)	Belgium	Full(1)	50.1%	41.6%		Full(1)	50.1%	41.6%	
	CNH Industrial Capital Europe (Germany branch)	Germany	Full(1)	50.1%	41.6%		Full(1)	50.1%	41.6%	
	CNH Industrial Capital Europe (Italy branch)	Italy	Full(1)	50.1%	41.6%		Full(1)	50.1%	41.6%	
	CNH Industrial Capital Europe (Poland branch)	Poland	Full(1)	50.1%	41.6%		Full(1)	50.1%	41.6%	
	CNH Industrial Capital Europe (Spain branch)	Spain	Full(1)	50.1%	41.6%		Full(1)	50.1%	41.6%	
	CNH Industrial Capital Europe BV	Netherlands	Full	100.0%	41.6%		Full	100.0%	41.6%	
	CNH Industrial Capital Europe GmbH	Austria	Full	100.0%	41.6%		Full	100.0%	41.6%	
	CNH Industrial Capital Europe Ltd	UK	Full	100.0%	41.6%		Full	100.0%	41.6%	
	Commercial Vehicle Finance Ltd	UK								S1
	ES-Finance	Belgium	Full	100.0%	99.9%		Full	100.0%	99.9%	
	FL Zeebrugge[s]	Belgium	Full	-	-		Full	-	-	
	Folea Grundstucksverwaltungs und Vermietungs Gmbh & Co[s]	Germany	Full	-	-		Full	-	-	
	Fortis Lease	France	Full(1)	100.0%	83.0%		Full(1)	100.0%	83.0%	
	Fortis Lease Belgium	Belgium	Full	100.0%	83.0%		Full	100.0%	83.0%	
	Fortis Lease Deutschland GmbH	Germany	Full	100.0%	83.0%		Full	100.0%	83.0%	
	Fortis Lease Iberia SA	Spain	Full	100.0%	86.6%		Full	100.0%	86.6%	
	Fortis Lease Portugal	Portugal	Full	100.0%	83.0%		Full	100.0%	83.0%	
	Fortis Lease UK Ltd	UK	Full	100.0%	83.0%		Full	100.0%	83.0%	
	Fortis Vastgoedlease BV	Netherlands	Full	100.0%	83.0%		Full	100.0%	83.0%	
	Heffiq Heftruck Verhuur BV	Netherlands	Full	50.1%	41.5%		Full	50.1%	41.5%	
	JCB Finance	France	Full(1)	100.0%	41.6%		Full(1)	100.0%	41.6%	
	JCB Finance (Germany branch)	Germany	Full(1)	100.0%	41.6%		Full(1)	100.0%	41.6%	
	JCB Finance (Italy branch)	Italy	Full(1)	100.0%	41.6%		Full(1)	100.0%	41.6%	
	JCB Finance Holdings Ltd	UK	Full	50.1%	41.6%		Full	50.1%	41.6%	
	Manitou Finance Ltd	UK	Full	51.0%	42.3%		Full	51.0%	42.3%	
	MGF	France	Full(1)	51.0%	42.3%		Full(1)	51.0%	42.3%	
	Mgf (Germany branch)	Germany	Full(1)	51.0%	42.3%		Full(1)	51.0%	42.3%	E2
	Mgf (Italy branch)	Italy	Full(1)	51.0%	42.3%		Full(1)	51.0%	42.3%	E2
	Natio Energie 2	France	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Natiocredibail	France	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	
	RD Leasing IFN SA	Romania	Full	100.0%	83.0%		Full	100.0%	83.0%	
	Same Deutz Fahr Finance	France	Full(1)	100.0%	83.0%		Full(1)	100.0%	83.0%	
	SNC Natiocredimurs	France	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	

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Business	Name	Country	Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
	UCB Bail 2	France								S4
New Digital Businesses										
	Financière des Paiements Electroniques	France	Full	95.0%	95.0%		Full	95.0%	95.0%	
	Financière des Paiements Electroniques (Belgium Branch)	Belgium	Full	95.0%	95.0%	E2				
	Financière des Paiements Electroniques (Portugal Branch)	Portugal	Full	95.0%	95.0%	E2				
	Financière des Paiements Electroniques (Spain branch)	Spain	Full	95.0%	95.0%		Full	95.0%	95.0%	
	Lyf SA	France	Equity(3)	43.8%	43.8%		Equity(3)	43.8%	43.8%	
	Lyf SAS	France	Equity(3)	49.1%	49.1%		Equity(3)	49.1%	49.1%	V4
Personal Investors										
	Espresso Financial Services Private Limited (Ex- Sharekhan Comtrade Private Limited)	India	Full	100.0%	100.0%		Full	100.0%	100.0%	E1
	Geojit Technologies Private Ltd	India	Equity	35.0%	35.0%		Equity	35.0%	35.0%	
	Human Value Developers Private Ltd	India	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Sharekhan BNPP Financial Services Ltd	India	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Sharekhan Commodities Private Ltd	India								S3
	Sharekhan Ltd	India	Full	100.0%	100.0%		Full	100.0%	100.0%	
INTERNATIONAL FINANCIAL SERVICES										
BNP Paribas Personal Finance										
	Alpha Crédit SA	Belgium	Full	100.0%	99.9%		Full	100.0%	99.9%	
	AutoFlorence 1 SRL[t]	Italy	Full	-	-		Full	-	-	
	Autonoria 2019[t]	France	Full	-	-		Full	-	-	
	Autonoria Spain 2019[t]	Spain	Full	-	-		Full	-	-	
	Autonoria Spain 2021 FT[t]	Spain	Full	-	-	E2				
	Autop Ocean Indien	France	Full	100.0%	97.8%		Full	100.0%	97.8%	
	Axa Banque Financement	France	Equity	35.0%	35.0%		Equity	35.0%	35.0%	
	Banco BNPP Personal Finance SA	Portugal								S4
	Banco Cetelem SA	Spain	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Banco Cetelem SA	Brazil	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BGN Mercantil E Servicos Ltda	Brazil	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Personal Finance	France	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Personal Finance (Austria branch)	Austria	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Personal Finance (Bulgaria branch)	Bulgaria	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Personal Finance (Czech Republic branch)	Czech Rep.	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Personal Finance (Portugal branch)	Portugal	Full	100.0%	100.0%		Full	100.0%	100.0%	E2
	BNPP Personal Finance (Romania branch)	Romania	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Personal Finance (Slovakia branch)	Slovakia	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Personal Finance BV	Netherlands	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Personal Finance South Africa Ltd	South Africa	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Cafineo	France	Full(1)	51.0%	50.8%		Full(1)	51.0%	50.8%	
	Carrefour Banque	France	Equity	40.0%	40.0%		Equity	40.0%	40.0%	
	Central Europe Technologies SRL	Romania	Full	100.0%	100.0%	E1				
	Cetelem Algérie	Algeria				S1	Full	100.0%	100.0%	
	Cetelem America Ltda	Brazil	Full	100.0%	100.0%		Full	100.0%	100.0%	

			30 June 2021				31 December 2020			
Business	Name	Country	Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
	Cetelem Bank LLC	Russia								S2
	Cetelem Gestion AIE	Spain	Full	100.0%	96.0%		Full	100.0%	96.0%	
	Cetelem SA de CV	Mexico	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Cetelem Servicios Informaticos AIE	Spain	Full	100.0%	81.0%		Full	100.0%	81.0%	
	Cetelem Servicios SA de CV	Mexico	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Cetelem Servicos Ltda	Brazil	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Cofica Bail	France	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	
	Cofinoga Funding Two LP[t]	UK				S1	Full	-	-	
	Cofiplan	France	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	
	Creation Consumer Finance Ltd	UK	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Creation Financial Services Ltd	UK	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Crédit Moderne Antilles Guyane	France	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	
	Crédit Moderne Océan Indien	France	Full(1)	97.8%	97.8%		Full(1)	97.8%	97.8%	
	Domofinance	France	Full(1)	55.0%	55.0%		Full(1)	55.0%	55.0%	
	Domos 2011[t]	France								S1
	Domos 2017[t]	France	Full	-	-		Full	-	-	
	E Carat 11 PLC[t]	UK	Full	-	-		Full	-	-	E1
	E Carat 12 PLC[t]	UK	Full	-	-	E2				
	Ecarat 10[t]	France	Full	-	-		Full	-	-	
	Ecarat 10 PLC[t]	UK	Full	-	-		Full	-	-	
	Ecarat 6 PLC[t]	UK								S1
	Ecarat 7 PLC[t]	UK				S3	Full	-	-	
	Ecarat 8 PLC[t]	UK				S3	Full	-	-	
	Ecarat 9 PLC[t]	UK	Full	-	-		Full	-	-	
	Ecarat SA[t]	Luxemburg				S3	Full	-	-	
	Ekspres Bank AS	Denmark	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Ekspres Bank AS (Norway branch)	Norway	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Ekspres Bank AS (Sweden branch)	Sweden	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Eos Aremas Belgium SA NV	Belgium	Equity	50.0%	49.9%		Equity	50.0%	49.9%	
	Findomestic Banca SPA	Italy	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Florence Real Estate Developments SPA	Italy	Full	100.0%	100.0%	E1				
	Florence SPV SRL[t]	Italy	Full	-	-		Full	-	-	
	GCC Consumo Establecimiento Financiero de Credito SA	Spain	Full	51.0%	51.0%		Full	51.0%	51.0%	
	Genius Auto Finance Co Ltd	China	Equity(3)	20.0%	20.0%		Equity(3)	20.0%	20.0%	
	International Development Resources AS Services SA	Spain	Full	100.0%	100.0%	E1				
	Iqera Services (Ex- Effico)	France	Equity	24.5%	24.5%		Equity	24.5%	24.5%	
	Laser ABS 2017 Holding Ltd	UK								S3
	Laser ABS 2017 PLC[t]	UK								S3
	Leval 20	France								S4
	Loisirs Finance	France	Full(1)	51.0%	51.0%		Full(1)	51.0%	51.0%	
	Magyar Cetelem Bank ZRT	Hungary	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Neuilly Contentieux	France	Full	95.9%	95.6%		Full	95.9%	95.6%	V3

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Business	**Name**	**Country**	**Method**	**Voting (%)**	**Interest (%)**	**Ref.**	**Method**	**Voting (%)**	**Interest (%)**	**Ref.**
	Noria 2018-1[t]	France	Full	-	-		Full	-	-	
	NORIA 2020[t]	France	Full	-	-		Full	-	-	E2
	Noria Spain 2020 FT[t]	Spain	Full	-	-		Full	-	-	E2
	Norrsken Finance	France								S4
	Olympia SAS	France				S3	Full	50.0%	50.0%	
	Oney Magyarorszag ZRT	Hungary								S2
	Opel Bank	France	Full	50.0%	50.0%		Full	50.0%	50.0%	
	Opel Bank (Austria branch)	Austria	Full	50.0%	50.0%		Full	50.0%	50.0%	E2
	Opel Bank (Germany branch)	Germany	Full	50.0%	50.0%		Full	50.0%	50.0%	
	Opel Bank (Greece branch)	Greece	Full	50.0%	50.0%		Full	50.0%	50.0%	
	Opel Bank (Italy branch)	Italy	Full	50.0%	50.0%		Full	50.0%	50.0%	
	Opel Bank (Spain branch)	Spain	Full	50.0%	50.0%		Full	50.0%	50.0%	
	Opel Finance BV	Belgium	Full	100.0%	50.0%		Full	100.0%	50.0%	
	Opel Finance International BV	Netherlands								S4
	Opel Finance NV	Netherlands	Full	100.0%	50.0%		Full	100.0%	50.0%	
	Opel Finance SA	Switzerland	Full	100.0%	50.0%		Full	100.0%	50.0%	
	Opel Leasing GmbH	Germany								S4
	Opel Leasing GmbH (Austria branch)	Austria								S4
	PF Services GmbH	Germany	Full	100.0%	100.0%	E1				
	Phedina Hypotheken 2010 BV[t]	Netherlands	Full	-	-		Full	-	-	
	Projeo	France								S4
	RCS Botswana Pty Ltd	Botswana	Full	100.0%	100.0%		Full	100.0%	100.0%	E1
	RCS Cards Pty Ltd	South Africa	Full	100.0%	100.0%		Full	100.0%	100.0%	
	RCS Investment Holdings Namibia Pty Ltd	Namibia	Full	100.0%	100.0%		Full	100.0%	100.0%	E1
	Securitisation funds UCI and RMBS Prado (b)[t]	Spain	Equity[(3)]	-	-		Equity[(3)]	-	-	
	Servicios Financieros Carrefour EFC SA	Spain	Equity	37.3%	40.0%		Equity	37.3%	40.0%	
	Solfinéa	France	Equity[(3)]	45.0%	45.0%		Equity[(3)]	45.0%	45.0%	
	Suning Consumer Finance Co Ltd	China	Equity	15.0%	15.0%		Equity	15.0%	15.0%	
	Sygma Funding Two Ltd	UK				S3	Full	100.0%	100.0%	
	Symag	France				S2	Full	100.0%	100.0%	
	TEB Finansman AS	Turkey	Full	100.0%	92.8%		Full	100.0%	92.8%	
	Union de Creditos Inmobiliarios SA	Spain	Equity[(3)]	50.0%	50.0%		Equity[(3)]	50.0%	50.0%	
	United Partnership	France	Equity[(3)]	50.0%	50.0%		Equity[(3)]	50.0%	50.0%	
	Vauxhall Finance PLC	UK	Full	100.0%	50.0%		Full	100.0%	50.0%	
	XFERA Consumer Finance EFC SA	Spain	Full	51.0%	51.0%		Full	51.0%	51.0%	E1
	Zhejiang Wisdom Puhua Financial Leasing Co Ltd	China	Equity[(3)]	20.0%	20.0%	E3				
International Retail Banking - BancWest										
	BancWest Holding Inc	USA	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BancWest Holding Inc Grantor Trust ERC Subaccount[s]	USA	Full	-	-		Full	-	-	
	Bancwest Holding Inc Umbrella Trust[s]	USA	Full	-	-		Full	-	-	E2
	BancWest Investment Services Inc	USA	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Bank of the West	USA	Full	100.0%	100.0%		Full	100.0%	100.0%	

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Business	Name	Country	Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
	Bank of the West Auto Trust 2018-1[t]	USA	Full	-	-		Full	-	-	
	Bank of the West Auto Trust 2019-1[t]	USA	Full	-	-		Full	-	-	
	Bank of the West Auto Trust 2019-2[t]	USA	Full	-	-		Full	-	-	
	BNPP Leasing Solutions Canada Inc	Canada	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BOW Auto Receivables LLC[t]	USA	Full	-	-		Full	-	-	
	BWC Opportunity Fund 2 Inc[t]	USA	Full	-	-		Full	-	-	
	BWC Opportunity Fund Inc[t]	USA	Full	-	-		Full	-	-	
	CFB Community Development Corp	USA	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Claas Financial Services LLC	USA	Full	51.0%	51.0%		Full	51.0%	51.0%	
	Commercial Federal Affordable Housing Inc	USA	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Commercial Federal Community Development Corp	USA	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Commercial Federal Insurance Corp	USA	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Commercial Federal Investment Service Inc	USA	Full	100.0%	100.0%		Full	100.0%	100.0%	
	First Santa Clara Corp[s]	USA	Full	-	-		Full	-	-	
	Liberty Leasing Co	USA	Full	100.0%	100.0%		Full	100.0%	100.0%	
	United California Bank Deferred Compensation Plan Trust[s]	USA	Full	-	-		Full	-	-	E2
	Ursus Real Estate Inc	USA	Full	100.0%	100.0%		Full	100.0%	100.0%	
International Retail Banking - Europe Mediterranean										
	Bank of Nanjing	China	Equity	14.0%	14.0%		Equity	14.0%	14.0%	V3
	Banque Internationale pour le Commerce et l'Industrie de la Côte d'Ivoire	Ivory Coast	Full	59.8%	59.8%		Full	59.8%	59.8%	
	Banque Internationale pour le Commerce et l'Industrie de la Guinée	Guinea	Full	55.6%	55.6%		Full	55.6%	55.6%	
	Banque Internationale pour le Commerce et l'Industrie du Burkina Faso	Burkina Faso				S2	Full	51.0%	51.0%	
	Banque Internationale pour le Commerce et l'Industrie du Gabon	Gabon								S2
	Banque Internationale pour le Commerce et l'Industrie du Mali	Mali								S2
	Banque Internationale pour le Commerce et l'Industrie du Sénégal	Senegal	Full	54.1%	54.1%		Full	54.1%	54.1%	
	Banque Marocaine pour le Commerce et l'Industrie	Morocco	Full	67.0%	67.0%		Full	67.0%	67.0%	
	Banque Marocaine pour le Commerce et l'Industrie Banque Offshore	Morocco	Full	100.0%	67.0%		Full	100.0%	67.0%	
	Banque pour l'Industrie et le Commerce des Comores	Comoros								S2
	Bantas Nakit AS	Turkey	Equity[(3)]	33.3%	16.7%		Equity[(3)]	33.3%	16.7%	
	BDSI	Morocco	Full	100.0%	96.4%		Full	100.0%	96.4%	
	BGZ Poland ABS1 DAC[t]	Ireland	Full	-	-		Full	-	-	
	BICI Bourse	Ivory Coast	Full	90.0%	52.0%	V4	Full	90.0%	51.6%	V3
	BMCI Leasing	Morocco	Full	86.9%	58.2%		Full	86.9%	58.2%	
	BNPP Bank Polska SA	Poland	Full	87.4%	87.4%	V2	Full	88.8%	88.7%	
	BNPP El Djazair	Algeria	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Faktoring Spolka ZOO	Poland	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Fortis Yatirimlar Holding AS	Turkey	Full	100.0%	99.9%		Full	100.0%	99.9%	
	BNPP IRB Participations	France	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Solutions Spolka ZOO	Poland	Full	100.0%	87.4%	V3	Full	100.0%	88.7%	
	BNPP Yatirimlar Holding AS	Turkey	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Joint Stock Company Ukrsibbank	Ukraine	Full	60.0%	60.0%		Full	60.0%	60.0%	
	TEB ARF Teknoloji Anonim Sirketi	Turkey	Full	100.0%	72.5%	E2				

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Business	Name	Country	Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
	TEB Faktoring AS	Turkey	Full	100.0%	72.5%		Full	100.0%	72.5%	
	TEB Holding AS	Turkey	Full	50.0%	50.0%		Full	50.0%	50.0%	
	TEB Portfoy Yonetimi AS	Turkey								S3
	TEB SH A	Serbia	Full	100.0%	50.0%		Full	100.0%	50.0%	
	TEB Yatirim Menkul Degerler AS	Turkey	Full	100.0%	72.5%		Full	100.0%	72.5%	
	Turk Ekonomi Bankasi AS	Turkey	Full	100.0%	72.5%		Full	100.0%	72.5%	
	Union Bancaire pour le Commerce et l'Industrie	Tunisia				S2	Full	50.1%	50.1%	
Insurance										
	AEW Immocommercial$	France	FV	-	-		FV	-	-	
	AG Insurance	Belgium	Equity	25.0%	25.0%		Equity	25.0%	25.0%	
	Agathe Retail France	France	FV	33,3%	33,3%		FV	33.3%	33.3%	
	Ambrosia Avril 2025$	France				S1	Full(4)	-	-	
	Ambrosia Mars 2026$	France				S1	Full(4)	-	-	
	Astridplaza	Belgium	Full(2)	100.0%	98.4%		Full(2)	100.0%	98.4%	
	Batipart Participations SAS	Luxemburg	FV	29,7%	29,7%		FV	29.7%	29.7%	
	Becquerel$	France	Full(4)	-	-		Full(4)	-	-	E1
	BNPP Actions Croissance$	France	Full(4)	-	-		Full(4)	-	-	
	BNPP Actions Entrepreneurs$	France	Full(4)	-	-		Full(4)	-	-	
	BNPP Actions Euro$	France	Full(4)	-	-		Full(4)	-	-	
	BNPP Actions Monde$	France	Full(4)	-	-		Full(4)	-	-	
	BNPP Actions PME$	France	Full(4)	-	-		Full(4)	-	-	
	BNPP Actions PME ETI$	France	Full(4)	-	-	E1				
	BNPP Aqua$	France	Full(4)	-	-		Full(4)	-	-	
	BNPP Best Selection Actions Euro$	France	Full(4)	-	-		Full(4)	-	-	
	BNPP Cardif	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Cardif BV	Netherlands	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Cardif Compania de Seguros y Reaseguros SA	Peru	Equity *	100.0%	100.0%		Equity *	100.0%	100.0%	
	BNPP Cardif Emeklilik AS	Turkey	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Cardif General Insurance Co Ltd	Rep. of Korea	Equity *	92.7%	92.7%	V4	Equity *	92.5%	92.5%	V4
	BNPP Cardif Hayat Sigorta AS	Turkey	Equity *	100.0%	100.0%		Equity *	100.0%	100.0%	
	BNPP Cardif Levensverzekeringen NV	Netherlands	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Cardif Livforsakring AB	Sweden	Full(2)	100.0%	100.0%	D1	Equity *	100.0%	100.0%	
	BNPP Cardif Livforsakring AB (Denmark branch)	Denmark	Full(2)	100.0%	100.0%	D1	Equity *	100.0%	100.0%	
	BNPP Cardif Livforsakring AB (Norway branch)	Norway	Full(2)	100.0%	100.0%	D1	Equity *	100.0%	100.0%	
	BNPP Cardif Pojistovna AS	Czech Rep.	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Cardif Schadeverzekeringen NV	Netherlands	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Cardif Seguros de Vida SA	Chile	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Cardif Seguros Generales SA	Chile	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Cardif Services SRO	Czech Rep.	Equity *	100.0%	100.0%		Equity *	100.0%	100.0%	E1
	BNPP Cardif Servicios y Asistencia Ltda	Chile	Equity *	100.0%	100.0%		Equity *	100.0%	100.0%	
	BNPP Cardif Sigorta AS	Turkey	Equity *	100.0%	100.0%		Equity *	100.0%	100.0%	
	BNPP Cardif TCB Life Insurance Co Ltd	Taiwan	Equity	49.0%	49.0%		Equity	49.0%	49.0%	

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Business	Name	Country	Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
	BNPP Cardif Vita Compagnia di Assicurazione E Riassicurazione SPA	Italy	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Convictions[s]	France	Full(4)	-	-		Full(4)	-	-	
	BNPP CP Cardif Alternative[s]	France	Full(2)	-	-		Full(2)	-	-	
	BNPP CP Cardif Private Debt[s]	France	Full(4)	-	-		Full(4)	-	-	
	BNPP CP Infrastructure Investments Fund[s]	France	Full(4)	-	-		Full(4)	-	-	
	BNPP Deep Value[s]	France	Full(4)	-	-		Full(4)	-	-	
	BNPP Développement Humain[s]	France	Full(4)	-	-		Full(4)	-	-	
	BNPP Diversipierre[s]	France	Full(2)	-	-		Full(2)	-	-	
	BNPP Europe High Conviction Bond[s]	France				S1	Full(4)	-	-	
	BNPP France Crédit[s]	France	Full(2)	-	-		Full(2)	-	-	
	BNPP Global Senior Corporate Loans[s]	France	Full(4)	-	-		Full(4)	-	-	
	BNPP Indice Amerique du Nord[s]	France	Full(4)	-	-		Full(4)	-	-	
	BNPP Indice Euro[s]	France	Full(4)	-	-		Full(4)	-	-	E1
	BNPP Indice France[s]	France								S3
	BNPP Midcap France[s]	France				S3	Full(4)	-	-	
	BNPP Moderate Focus Italia[s]	France	Full(4)	-	-		Full(4)	-	-	
	BNPP Monétaire Assurance[s]	France	Full(4)	-	-		Full(4)	-	-	E1
	BNPP Multistratégies Protection 80[s]	France	Full(4)	-	-		Full(4)	-	-	
	BNPP Next Tech[s]	France	Full(4)	-	-	E1				
	BNPP Protection Monde[s]	France	Full(4)	-	-		Full(4)	-	-	
	BNPP Sélection Dynamique Monde[s]	France	Full(4)	-	-		Full(4)	-	-	
	BNPP Sélection Flexible[s]	France	Full(4)	-	-		Full(4)	-	-	
	BNPP Smallcap Euroland[s]	France	Full(4)	-	-		Full(4)	-	-	
	BNPP Social Business France[s]	France	Full(4)	-	-		Full(4)	-	-	E1
	BOB Cardif Life Insurance Co Ltd	China	Equity	50.0%	50.0%		Equity	50.0%	50.0%	
	C Santé[s]	France	Full(2)	-	-		Full(2)	-	-	
	Camgestion Obliflexible[s]	France	Full(2)	-	-		Full(2)	-	-	
	Capital France Hotel	France	Full(2)	98.4%	98.4%		Full(2)	98.4%	98.4%	
	Cardif Alternatives Part I[s]	France	Full(2)	-	-		Full(2)	-	-	
	Cardif Assurance Vie	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurance Vie (Austria branch)	Austria	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurance Vie (Belgium branch)	Belgium	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurance Vie (Bulgaria branch)	Bulgaria	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurance Vie (Germany branch)	Germany	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurance Vie (Italy branch)	Italy	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurance Vie (Netherlands branch)	Netherlands	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	E2
	Cardif Assurance Vie (Portugal branch)	Portugal	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurance Vie (Romania branch)	Romania	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurance Vie (Spain branch)	Spain	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurance Vie (Switzerland branch)	Switzerland	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurance Vie (Taiwan branch)	Taiwan	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurances Risques Divers	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	

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Business	Name	Country	Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
	Cardif Assurances Risques Divers (Austria branch)	Austria	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurances Risques Divers (Belgium branch)	Belgium	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurances Risques Divers (Bulgaria branch)	Bulgaria	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurances Risques Divers (Germany branch)	Germany	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurances Risques Divers (Italy branch)	Italy	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurances Risques Divers (Luxemburg branch)	Luxemburg								S1
	Cardif Assurances Risques Divers (Netherlands branch)	Netherlands	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	E2
	Cardif Assurances Risques Divers (Poland branch)	Poland	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurances Risques Divers (Portugal branch)	Portugal	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurances Risques Divers (Romania branch)	Romania	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurances Risques Divers (Spain branch)	Spain	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurances Risques Divers (Switzerland branch)	Switzerland	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Assurances Risques Divers (Taiwan branch)	Taiwan	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Biztosito Magyarorszag ZRT	Hungary	Equity *	100.0%	100.0%		Equity *	100.0%	100.0%	
	Cardif BNPP AM Emerging Bond[$]	France	Full(2)	-	-		Full(2)	-	-	E1
	Cardif BNPP AM Frontier Markets[$]	France								S3
	Cardif BNPP AM Global Senior Corporate Loans[$]	France	Full(4)	-	-		Full(4)	-	-	
	Cardif BNPP IP Convertibles World[$]	France	Full(2)	-	-		Full(2)	-	-	
	Cardif BNPP IP Signatures[$]	France	Full(2)	-	-		Full(2)	-	-	
	Cardif BNPP IP Smid Cap Euro[$]	France	Full(2)	-	-		Full(2)	-	-	
	Cardif BNPP IP Smid Cap Europe[$]	France	Full(4)	-	-	E1				
	Cardif Colombia Seguros Generales SA	Colombia	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif CPR Global Return[$]	France	Full(2)	-	-		Full(2)	-	-	
	Cardif do Brasil Seguros e Garantias SA	Brazil	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif do Brasil Vida e Previdencia SA	Brazil	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Edrim Signatures[$]	France	Full(2)	-	-		Full(2)	-	-	
	Cardif El Djazair	Algeria	Equity *	100.0%	100.0%		Equity *	100.0%	100.0%	
	Cardif Forsakring AB	Sweden	Full(2)	100.0%	100.0%	D1	Equity *	100.0%	100.0%	
	Cardif Forsakring AB (Denmark branch)	Denmark	Full(2)	100.0%	100.0%	D1	Equity *	100.0%	100.0%	
	Cardif Forsakring AB (Norway branch)	Norway	Full(2)	100.0%	100.0%	D1	Equity *	100.0%	100.0%	
	Cardif IARD	France	Full(2)	66.0%	66.0%		Full(2)	66.0%	66.0%	
	Cardif Insurance Co LLC	Russia	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Life Insurance Co Ltd	Rep. of Korea	Full(2)	85.0%	85.0%		Full(2)	85.0%	85.0%	
	Cardif Life Insurance Japan	Japan	Full(2)	75.0%	75.0%		Full(2)	75.0%	75.0%	
	Cardif Ltda	Brazil	Equity *	100.0%	100.0%		Equity *	100.0%	100.0%	
	Cardif Lux Vie	Luxemburg	Full(2)	100.0%	88.6%		Full(2)	100.0%	88.6%	
	Cardif Mexico Seguros de Vida SA de CV	Mexico	Equity *	100.0%	100.0%		Equity *	100.0%	100.0%	
	Cardif Mexico Seguros Generales SA de CV	Mexico	Equity *	100.0%	100.0%		Equity *	100.0%	100.0%	
	Cardif Non Life Insurance Japan	Japan	Full(2)	100.0%	75.0%		Full(2)	100.0%	75.0%	
	Cardif Nordic AB	Sweden	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Pinnacle Insurance Holdings PLC	UK	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Pinnacle Insurance Management Services PLC	UK	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	

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Business	Name	Country	Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
	Cardif Polska Towarzystwo Ubezpieczen Na Zycie SA	Poland	Equity *	100.0%	100.0%		Equity *	100.0%	100.0%	
	Cardif Seguros SA	Argentina	Equity *	100.0%	100.0%	D1	Full(2)	100.0%	100.0%	
	Cardif Services AEIE	Portugal	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cardif Servicios SA	Argentina								S3
	Cardif Servicios SAC	Peru	Equity *	100.0%	100.0%		Equity *	100.0%	100.0%	
	Cardif Vita Convex Fund Eur$	France	Full(2)	-	-		Full(2)	-	-	
	Cardimmo	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cargeas Assicurazioni SPA	Italy				S2	Full(2)	100.0%	100.0%	
	Carma Grand Horizon SARL	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cedrus Carbon Initiative Trends$	France	Full(2)	-	-		Full(2)	-	-	
	CFH Algonquin Management Partners France Italia	Italy	Full(2)	100.0%	98.4%		Full(2)	100.0%	98.4%	
	CFH Bercy	France	Full(2)	100.0%	98.4%		Full(2)	100.0%	98.4%	
	CFH Bercy Hotel	France	Full(2)	100.0%	98.4%		Full(2)	100.0%	98.4%	
	CFH Bercy Intermédiaire	France	Full(2)	100.0%	98.4%		Full(2)	100.0%	98.4%	
	CFH Berlin Holdco SARL	Luxemburg	Full(2)	100.0%	98.4%	E2				
	CFH Boulogne	France	Full(2)	100.0%	98.4%		Full(2)	100.0%	98.4%	
	CFH Cap d'Ail	France	Full(2)	100.0%	98.4%		Full(2)	100.0%	98.4%	
	CFH Milan Holdco SRL	Italy	Full(2)	100.0%	98.4%		Full(2)	100.0%	98.4%	
	CFH Montmartre	France	Full(2)	100.0%	98.4%		Full(2)	100.0%	98.4%	
	CFH Montparnasse	France	Full(2)	100.0%	98.4%		Full(2)	100.0%	98.4%	
	Corosa	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Darnell DAC	Ireland	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Défense CB3 SAS	France	FV	25,0%	25,0%		FV	25.0%	25.0%	
	Eclair$	France	Full(4)	-	-		Full(4)	-	-	
	Elegia Septembre 2028$	France	Full(4)	-	-		Full(4)	-	-	E1
	EP L$	France	Full(2)	-	-		Full(2)	-	-	
	EP1 Grands Moulins$	France	Equity *	-	-		Equity *	-	-	E1
	FDI Poncelet	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	E2
	Fleur SAS	France	FV	33,3%	33,3%		FV	33.3%	33.3%	
	Foncière Partenaires$	France	FV	-	-		FV	-	-	
	Fonds d'Investissements Immobiliers pour le Commerce et la Distribution	France	FV	25,0%	25,0%		FV	25.0%	25.0%	
	FP Cardif Convex Fund USD$	France	Full(2)	-	-		Full(2)	-	-	
	Fundamenta$	Italy	Full(2)	-	-		Full(2)	-	-	
	G C Thematic Opportunities II$	Ireland	Full(2)	-	-		Full(2)	-	-	
	GIE BNPP Cardif	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Harewood Helena 2 Ltd	UK	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Hemisphere Holding	France	Equity	20.0%	20.0%		Equity	20.0%	20.0%	
	Hibernia France	France	Full(2)	100.0%	98.4%		Full(2)	100.0%	98.4%	
	High Street Retail	France				S2	FV	26.2%	26.2%	V4
	Horizon Development GmbH	Germany	FV	66,7%	64,7%		FV	66.7%	64.7%	
	Icare	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	

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Business	Name	Country	Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
	Icare Assurance	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Karapass Courtage	France	Equity *	100.0%	100.0%		Equity *	100.0%	100.0%	E3
	Korian et Partenaires Immobilier 1	France	FV	24,5%	24,5%		FV	24.5%	24.5%	E2
	Korian et Partenaires Immobilier 2	France	FV	24,5%	24,5%		FV	24.5%	24.5%	E2
	Luizaseg	Brazil	Equity	50.0%	50.0%		Equity	50.0%	50.0%	
	Natio Assurance	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Natio Fonds Ampère 1$	France	Full(4)	-	-		Full(4)	-	-	
	Natio Fonds Athenes Investissement N 5$	France	Full(2)	-	-		Full(2)	-	-	
	Natio Fonds Colline International$	France	Full(2)	-	-		Full(2)	-	-	
	Natio Fonds Collines Investissement N 1$	France	Full(2)	-	-		Full(2)	-	-	
	Natio Fonds Collines Investissement N 3$	France	Full(2)	-	-		Full(2)	-	-	
	NCVP Participacoes Societarias SA	Brazil	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	New Alpha Cardif Incubator Fund$	France	Full(2)	-	-		Full(2)	-	-	
	Opéra Rendement$	France	Full(2)	-	-		Full(2)	-	-	
	Paris Management Consultant Co Ltd	Taiwan	Equity *	100.0%	100.0%		Equity *	100.0%	100.0%	
	Permal Cardif Co Investment Fund$	France	Full(2)	-	-		Full(2)	-	-	
	Pinnacle Insurance PLC	UK	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Poistovna Cardif Slovakia AS	Slovakia	Equity *	100.0%	100.0%		Equity *	100.0%	100.0%	
	Preim Healthcare SAS$	France	FV	-	-		FV	-	-	
	PWH	France	FV	47,5%	47,5%		FV	47.5%	47.5%	V4
	Reumal Investissements	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Rubin SARL	Luxemburg	FV	50,0%	50,0%		FV	50.0%	50.0%	
	Rueil Ariane	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SAS HVP	France	Full(2)	100.0%	98.4%		Full(2)	100.0%	98.4%	
	Schroder European Operating Hotels Fund 1$	Luxemborg	FV	-	-	E1				
	SCI 68/70 rue de Lagny - Montreuil	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Alpha Park	France	FV	50,0%	50,0%		FV	50.0%	50.0%	
	Sci Batipart Chadesrent	France	FV	20.0%	20.0%	E2				
	SCI BNPP Pierre I	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI BNPP Pierre II	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Bobigny Jean Rostand	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Bouleragny	France	FV	50,0%	50,0%		FV	50.0%	50.0%	
	SCI Cardif Logement	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Citylight Boulogne	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Clichy Nuovo	France	FV	50,0%	50,0%		FV	50.0%	50.0%	
	SCI Défense Etoile	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Défense Vendôme	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Etoile du Nord	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Fontenay Plaisance	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Imefa Velizy	France	FV	21,8%	21,8%		FV	21.8%	21.8%	
	SCI Le Mans Gare	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Liberté	France	FV	50,0%	50,0%		FV	50.0%	50.0%	

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Business	Name	Country	Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
	SCI Nanterre Guilleraies	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Nantes Carnot	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Odyssée	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Pantin Les Moulins	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Paris Batignolles	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Paris Cours de Vincennes	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Paris Grande Armée	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	E2
	SCI Paris Turenne	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Portes de Claye	France	Equity	45.0%	45.0%		Equity	45.0%	45.0%	
	SCI Rue Moussorgski	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Rueil Caudron	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Saint Denis Landy	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Saint Denis Mitterrand	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI Saint-Denis Jade	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	SCI SCOO	France	Equity	46.4%	46.4%		Equity	46.4%	46.4%	
	SCI Vendôme Athènes	France	FV	50,0%	50,0%		FV	50.0%	50.0%	
	SCI Villeurbanne Stalingrad	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Secar	France	FV	55,1%	55,1%		FV	55.1%	55.1%	
	Seniorenzentren Deutschland Holding SARL	Luxemburg	FV	20,0%	17,7%		FV	20.0%	17.7%	
	Seniorenzentren Reinbeck Oberursel München Objekt GmbH	Germany	FV	35,0%	31,0%		FV	35.0%	31.0%	
	Seniorenzentrum Butzbach Objekt GmbH	Germany	FV	35,0%	31,0%		FV	35.0%	31.0%	
	Seniorenzentrum Heilbronn Objekt GmbH	Germany	FV	35,0%	31,0%		FV	35.0%	31.0%	
	Seniorenzentrum Kassel Objekt GmbH	Germany	FV	35,0%	31,0%		FV	35.0%	31.0%	
	Seniorenzentrum Wolfratshausen Objekt GmbH	Germany	FV	35,0%	31,0%		FV	35.0%	31.0%	
	SNC Batipart Poncelet	France	FV	23,3%	23,3%		FV	23.3%	23.3%	E2
	Société Francaise d'Assurances sur la Vie	France	Equity	50.0%	50.0%		Equity	50.0%	50.0%	
	Société Immobilière du Royal Building SA	Luxemburg	Full(2)	100.0%	88.6%		Full(2)	100.0%	88.6%	
	Tikehau Cardif Loan Europe[$]	France	Full(2)	-	-		Full(2)	-	-	
	Valeur Pierre Epargne	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Valtitres FCP[$]	France	Full(2)	-	-		Full(2)	-	-	
	Velizy Holding	France	FV	33,3%	33,3%		FV	33.3%	33.3%	
	Vietcombank Cardif Life Insurance Co Ltd	Viet Nam								S2
Wealth Management										
	BNPP Wealth Management DIFC Ltd	United Arab Emirates	Full	100.0%	100.0%		Full	100.0%	100.0%	E1
	BNPP Wealth Management Monaco	Monaco	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	
Asset Management										
	Alfred Berg Kapitalforvaltning AB	Sweden								S3
	Alfred Berg Kapitalforvaltning AS	Norway	Full	100.0%	98.2%		Full	100.0%	98.2%	
	Alfred Berg Kapitalforvaltning AS (Sweden branch)	Sweden	Full	100.0%	98.2%		Full	100.0%	98.2%	
	Bancoestado Administradora General de Fondos SA	Chile	Equity	50.0%	49.1%		Equity	50.0%	49.1%	
	BNPP AM International Hedged Strategies[$]	France	Full(4)	-	-	E1				
	BNPP Asset Management Asia Ltd	Hong Kong	Full	100.0%	98.2%		Full	100.0%	98.2%	

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Business	Name	Country	Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
	BNPP Asset Management Be Holding	Belgium	Full	100.0%	98,2%		Full	100.0%	98.2%	
	BNPP Asset Management Belgium	Belgium	Full	100.0%	98.2%		Full	100.0%	98.2%	
	BNPP Asset Management Brasil Ltda	Brazil	Full	100.0%	99.5%		Full	100.0%	99.5%	
	BNPP Asset Management France	France	Full	100.0%	98.2%		Full	100.0%	98.2%	
	BNPP Asset Management France (Austria branch)	Austria	Full	100.0%	98.2%		Full	100.0%	98.2%	
	BNPP Asset Management France (Germany branch)	Germany	Full	100.0%	98.2%		Full	100.0%	98.2%	
	BNPP Asset Management France (Italy branch)	Italy	Full	100.0%	98.2%		Full	100.0%	98.2%	
	BNPP Asset Management France (Netherlands branch)	Netherlands	Full	100.0%	98.2%		Full	100.0%	98.2%	E2
	BNPP Asset Management Holding	France	Full	99.9%	98.2%		Full	99.9%	98.2%	
	BNPP Asset Management India Private Ltd	India	Full	100.0%	98.2%		Full	100.0%	98.2%	
	BNPP Asset Management Japan Ltd	Japan	Full	100.0%	98.2%		Full	100.0%	98.2%	
	BNPP Asset Management Luxembourg	Luxemburg	Full	99.7%	97.9%		Full	99.7%	97.9%	
	BNPP Asset Management Nederland NV	Netherlands				S4	Full	100.0%	98.2%	
	BNPP Asset Management NL Holding NV	Netherlands	Full	100.0%	98.2%		Full	100.0%	98.2%	
	BNPP Asset Management PT	Indonesia	Full	100.0%	98.2%		Full	100.0%	98.2%	
	BNPP Asset Management Services Grouping	France	Full	100.0%	98.2%		Full	100.0%	98.2%	
	BNPP Asset Management UK Ltd	UK	Full	100.0%	98.2%		Full	100.0%	98.2%	
	BNPP Asset Management USA Holdings Inc	USA	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Asset Management USA Inc	USA	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP B Control$	Belgium								S3
	BNPP B Institutional II$	Belgium	Full(4)	-	-		Full(4)	-	-	
	BNPP Capital Partners	France	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Dealing Services	France	Full	100.0%	98.2%		Full(1)	100.0%	98.2%	
	BNPP Flexi I$	Luxemburg	Full(4)	-	-		Full(4)	-	-	E1
	BNPP Funds$	Luxemburg	Full(4)	-	-		Full(4)	-	-	
	BNPP L1$	Luxemburg		-	-	S3	Full(4)	-	-	
	BNPP Multigestion$	France	Full(4)	-	-		Full(4)	-	-	E1
	BNPP Perspectives$	France		-	-	S3	Full(4)	-	-	
	Drypnir AS	Norway	Full	100.0%	0.1%		Full	100.0%	0.1%	E1
	EAB Group PLC	Finland	Equity	17.6%	17.3%		Equity	17.6%	17.3%	
	Fund Channel	Luxemburg								S2
	Fundquest Advisor	France	Full	100.0%	98.2%		Full	100.0%	98.2%	
	Fundquest Advisor (United Kingdom branch)	UK	Full	100.0%	98.2%		Full	100.0%	98.2%	
	Gambit Financial Solutions	Belgium	Full	86.0%	84.4%		Full	86.0%	84.4%	
	Groeivermogen NV	Netherlands				S3	Full	100.0%	98.2%	
	Haitong Fortis Private Equity Fund Management Co Ltd	China	Equity	33.0%	32.4%		Equity	33.0%	32.4%	
	Harewood Helena 1 Ltd	UK	Full	100.0%	100.0%		Full	100.0%	100.0%	
	HFT Investment Management Co Ltd	China	Equity	49.0%	48.1%		Equity	49.0%	48.1%	
	Impax Asset Management Group PLC	UK	Equity	13.8%	13.5%	V3	Equity	14.0%	13.7%	V2
	Parworld$	Luxemburg								S3
	Services Epargne Entreprise	France	Equity	35.6%	35.6%		Equity	35.6%	35.6%	V2
	Shinhan BNPP Asset Management Co Ltd	Rep. of Korea				S2	Equity	35.0%	34.4%	

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Business	Name	Country	Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
	SME Alternative Financing DAC$	Ireland	Full	-	-		Full	-	-	
	Theam Quant$	Luxemburg	Full(4)	-	-		Full(4)	-	-	
Real Estate Services										
	Auguste Thouard Expertise	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Immobilier Promotion Immobilier d'Entreprise	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Immobilier Résidences Services	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Immobilier Résidentiel	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Immobilier Résidentiel Service Clients	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate (United Arab Emirates branch)	United Arab Emirates	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Advisory & Property Management Luxembourg SA	Luxemburg	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Advisory & Property Management UK Ltd	UK	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Advisory and Property Management Ireland Ltd	Ireland	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Advisory Belgium SA	Belgium	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Advisory Italy SPA	Italy	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Advisory Netherlands BV	Netherlands	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Advisory SA	Romania								S2
	BNPP Real Estate APM CR SRO	Czech Rep.	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Conseil Habitation & Hospitality	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Consult France	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Consult GmbH	Germany	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Facilities Management Ltd	UK	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Financial Partner	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate GmbH	Germany	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Holding Benelux SA	Belgium	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Holding GmbH	Germany	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Investment Management Belgium	Belgium	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Investment Management France	France	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Real Estate Investment Management Germany GmbH	Germany	Full	94.9%	94.9%		Full	94.9%	94.9%	
	BNPP Real Estate Investment Management Germany GmbH (Italy branch)	Italy	Full	94.9%	94.9%		Full	94.9%	94.9%	
	BNPP Real Estate Investment Management Germany GmbH (Spain branch)	Spain	Full	94.9%	94.9%		Full	94.9%	94.9%	
	BNPP Real Estate Investment Management Italy SPA	Italy	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Real Estate Investment Management Ltd	UK	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Investment Management Luxembourg SA	Luxemburg	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Real Estate Investment Management Spain SA	Spain	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Investment Management UK Ltd	UK	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Italy SRL	Italy	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Magyarorszag Tanacsado Es Ingatlankezelo ZRT	Hungary	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Poland SP ZOO	Poland	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Portugal Unipersonal LDA	Portugal	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Property Development & Services GmbH	Germany	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Property Development UK Ltd	UK	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	

			30 June 2021				31 December 2020			
Business	Name	Country	Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
	BNPP Real Estate Property Developpement Italy SPA	Italy	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Property Management Belgium	Belgium	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Property Management France SAS	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Property Management GmbH	Germany	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Property Management Italy SRL	Italy	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Singapore Pte Ltd	Singapore	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Spain SA	Spain	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	BNPP Real Estate Transaction France	France	Full(2)	96.9%	96.9%		Full(2)	96.9%	96.9%	V1
	BNPP Real Estate Valuation France	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Cariboo Development SL	Spain	Equity	65.0%	65.0%		Equity	65.0%	65.0%	V2
	Construction-Sale Companies (c)	France	Full / Equity(2)	-	-		Full / Equity(2)	-	-	
	GIE Siège Issy	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Horti Milano SRL	Italy	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Lifizz	France				S4	Full(2)	100.0%	100.0%	
	Nanterre Arboretum	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	E2
	Parker Tower Ltd	UK	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Partner's & Services	France	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	REPD Parker Ltd	UK	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Société Auxiliaire de Construction Immobilière	France								S4
	Sviluppo Residenziale Italia SRL	Italy	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Wapiti Development SL	Spain	Equity	65.0%	65.0%	E1				
CORPORATE & INSTITUTIONAL BANKING										
SECURITIES SERVICES										
	Allfunds Group PLC (Ex- Allfunds UK Ltd)	UK	Equity	15.8%	15.7%	V2	Equity	22.5%	22.4%	E3
	AssetMetrix	Germany	Equity	14.9%	14.9%	V4	Equity	14.2%	14.2%	E1
	BNPP Financial Services LLC	USA	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Fund Administration Services Ireland Ltd	Ireland	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Fund Services Australasia Pty Ltd	Australia	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Fund Services Australasia Pty Ltd (New Zealand branch)	New Zealand	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Global Securities Operations Private Ltd	India	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Securities Services	France	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	
	BNPP Securities Services (Australia branch)	Australia	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	
	BNPP Securities Services (Belgium branch)	Belgium	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	
	BNPP Securities Services (Germany branch)	Germany	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	
	BNPP Securities Services (Greece branch)	Greece	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	
	BNPP Securities Services (Guernsey branch)	Guernsey	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	
	BNPP Securities Services (Hong Kong branch)	Hong Kong	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	
	BNPP Securities Services (Hungary branch)	Hungary	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	
	BNPP Securities Services (Ireland branch)	Ireland	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	
	BNPP Securities Services (Italy branch)	Italy	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	
	BNPP Securities Services (Jersey branch)	Jersey	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	
	BNPP Securities Services (Luxemburg branch)	Luxemburg	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	

			30 June 2021				31 December 2020			
Business	Name	Country	Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
	BNPP Securities Services (Netherlands branch)	Netherlands	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	
	BNPP Securities Services (Poland branch)	Poland	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	
	BNPP Securities Services (Portugal branch)	Portugal	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	
	BNPP Securities Services (Singapore branch)	Singapore	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	
	BNPP Securities Services (Spain branch)	Spain	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	
	BNPP Securities Services (Switzerland branch)	Switzerland	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	
	BNPP Securities Services (United Kingdom branch)	UK	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	
	Services Logiciels d'Intégration Boursière	France	Equity(3)	66.6%	66.6%		Equity(3)	66.6%	66.6%	
CIB EMEA (Europe, Middle East, Africa)										
France										
	Atargatis[s]	France	Full	-	-		Full	-	-	
	Austin Finance[s]	France	Full	-	-		Full	-	-	
	BNPP Arbitrage	France	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	
	Compagnie d'Investissement Italiens[s]	France	Full	-	-		Full	-	-	
	Compagnie d'Investissement Opéra[s]	France	Full	-	-		Full	-	-	
	Esomet	France								S4
	Eurotitrisation	France	Equity	23.0%	23.0%		Equity	23.0%	23.0%	
	FCT Juice[t]	France	Full	-	-		Full	-	-	
	Financière des Italiens[s]	France	Full	-	-		Full	-	-	
	Financière du Marché Saint Honoré	France	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Financière Paris Haussmann[s]	France	Full	-	-		Full	-	-	
	Financière Taitbout[s]	France	Full	-	-		Full	-	-	
	Mediterranea[s]	France	Full	-	-		Full	-	-	
	Optichamps[s]	France	Full	-	-		Full	-	-	
	Parilease	France	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	
	Participations Opéra[s]	France	Full	-	-		Full	-	-	
	SNC Taitbout Participation 3	France	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Société Orbaisienne de Participations	France	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Verner Investissements	France	Equity	40.0%	50.0%		Equity	40.0%	50.0%	
Other European countries										
	Alectra Finance PLC[t]	Ireland				S3	Full	-	-	
	Aquarius + Investments PLC[t]	Ireland	Full	-	-		Full	-	-	
	Aries Capital DAC[t]	Ireland	Full	-	-		Full	-	-	
	Auseter Real Estate Opportunities SARL[t]	Luxemburg	Full	-	-		Full	-	-	
	BNP PUK Holding Ltd	UK	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Bank JSC	Russia	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Emissions Und Handels GmbH[t]	Germany	Full	-	-		Full	-	-	
	BNPP Invest Holdings BV	Netherlands	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Ireland Unlimited Co	Ireland	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Islamic Issuance BV[t]	Netherlands	Full	-	-		Full	-	-	
	BNPP Issuance BV[t]	Netherlands	Full	-	-		Full	-	-	
	BNPP Net Ltd	UK	Full	100.0%	100.0%		Full	100.0%	100.0%	

			30 June 2021				31 December 2020			
Business	Name	Country	Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
	BNPP Prime Brokerage International Ltd	Ireland	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Suisse SA	Switzerland	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Suisse SA (Guernsey branch)	Guernsey								S1
	BNPP Technology LLC	Russia	Full	100.0%	100.0%		Full	100.0%	100.0%	E2
	BNPP Vartry Reinsurance DAC	Ireland	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Diamante Re SRL	Italy	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Ejesur SA	Spain	Full	100.0%	100.0%		Full	100.0%	100.0%	
	FScholen	Belgium	Equity(3)	50.0%	50.0%		Equity(3)	50.0%	50.0%	
	Greenstars BNPP	Luxemburg	Full(2)	100.0%	100.0%		Full(2)	100.0%	100.0%	
	Kantox Ltd	UK	Equity	8.8%	8.8%		Equity	8.8%	8.8%	E3
	Madison Arbor Ltd[t]	Ireland	Full	-	-		Full	-	-	
	Matchpoint Finance PLC[t]	Ireland	Full	-	-		Full	-	-	
	Ribera Del Loira Arbitrage	Spain	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Scaldis Capital Ltd[t]	Jersey								S3
	Securasset SA[t]	Luxemburg	Full	-	-	E1				
	Single Platform Investment Repackaging Entity SA[t]	Luxemburg	Full	-	-		Full	-	-	E2
	Utexam Logistics Ltd	Ireland	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Utexam Solutions Ltd	Ireland	Full	100.0%	100.0%		Full	100.0%	100.0%	
Middle East										
	BNPP Investment Co KSA	Saudi Arabia	Full	100.0%	100.0%		Full	100.0%	100.0%	
AMERICAS										
	Banco BNPP Brasil SA	Brazil	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Canada Corp	Canada	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Capital Services Inc	USA	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Colombia Corporacion Financiera SA	Colombia	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Energy Trading GP	USA								S1
	BNPP Energy Trading LLC	USA								S1
	BNPP EQD Brazil Fund Fundo de Investmento Multimercado[s]	Brazil	Full	-	-		Full	-	-	
	BNPP FS LLC	USA	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP IT Solutions Canada Inc	Canada	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Mexico Holding	Mexico	Full	100.0%	100.0%	E1				
	BNPP Mexico SA Institucion de Banca Multiple	Mexico	Full	100.0%	100.0%	E1				
	BNPP Proprietario Fundo de Investimento Multimercado[s]	Brazil	Full	-	-		Full	-	-	
	BNPP RCC Inc	USA	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Securities Corp	USA	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP US Investments Inc	USA	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP US Wholesale Holdings Corp	USA	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP USA Inc	USA	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP VPG Brookline Cre LLC[s]	USA	Full	-	-		Full	-	-	
	BNPP VPG EDMC Holdings LLC[s]	USA	Full	-	-		Full	-	-	
	BNPP VPG Express LLC[s]	USA	Full	-	-		Full	-	-	
	BNPP VPG I LLC[s]	USA	Full	-	-		Full	-	-	

			30 June 2021				31 December 2020			
Business	**Name**	**Country**	**Method**	**Voting (%)**	**Interest (%)**	**Ref.**	**Method**	**Voting (%)**	**Interest (%)**	**Ref.**
	BNPP VPG II LLC[s]	USA	Full	-	-		Full	-	-	
	BNPP VPG III LLC (Ex- BNPP VPG CT Holdings LLC)[s]	USA	Full	-	-		Full	-	-	
	BNPP VPG Master LLC[s]	USA	Full	-	-		Full	-	-	
	Dale Bakken Partners 2012 LLC	USA	FV	23,8%	23,8%		FV	23.8%	23.8%	
	Decart Re Ltd[s]	Bermuda	Full(2)	-	-		Full(2)	-	-	
	FSI Holdings Inc	USA	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Starbird Funding Corp[t]	USA	Full	-	-		Full	-	-	
PACIFIC ASIA										
	Bank BNPP Indonesia PT	Indonesia	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Arbitrage Hong Kong Ltd	Hong Kong	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP China Ltd	China	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Commodities Trading Shanghai Co Ltd	China								S3
	BNPP Finance Hong Kong Ltd	Hong Kong	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP India Holding Private Ltd	India	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP India Solutions Private Ltd	India	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Malaysia Berhad	Malaysia	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Securities Asia Ltd	Hong Kong	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Securities India Private Ltd	India	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Securities Japan Ltd	Japan	Full	100,0%	100.0%		Full	100.0%	100.0%	
	BNPP Securities Korea Co Ltd	Rep. of Korea	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Securities Taiwan Co Ltd	Taiwan	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Sekuritas Indonesia PT	Indonesia	Full	99.0%	99.0%		Full	99.0%	99.0%	
	BPP Holdings Pte Ltd	Singapore	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Contour Pte Ltd (Ex - Global Trade Network Pte Ltd)	Singapore	Equity	7.1%	7.1%	V3	Equity	7.5%	7.5%	E3
OTHER BUSINESS UNITS										
Principal Investments										
	BNPP Agility Capital	France	Full	100.0%	100.0%		Full	100.0%	100.0%	E1
	BNPP Agility Fund Equity SLP[s]	France	Full(4)	-	-		Full(4)	-	-	E1
	BNPP Agility Fund Private Debt SLP[s]	France	Full(4)	-	-		Full(4)	-	-	E1
Property Companies (Property Used In Operations) and Others										
	Antin Participation 5	France	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Home Loan SFH	France	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	
	BNPP Partners for Innovation	France	Equity	50.0%	50.0%		Equity	50.0%	50.0%	
	BNPP Procurement Tech	France	Full	100.0%	100.0%		Full	100.0%	100.0%	
	BNPP Public Sector SCF	France	Full(1)	100.0%	100.0%		Full(1)	100.0%	100.0%	
	Euro Secured Notes Issuer[s]	France	Full	-	-		Full	-	-	
	FCT Lafayette 2021[t]	France	Full	-	-	E2				
	FCT Laffitte 2016[t]	France				S1	Full	-	-	
	FCT Laffitte 2021[t]	France	Full	-	-	E2				
	FCT Opéra 2014[t]	France	Full	-	-		Full	-	-	
	GIE Groupement Auxiliaire de Moyens	France	Full	100.0%	100.0%		Full	100.0%	100.0%	

			30 June 2021				31 December 2020			
Business	Name	Country	Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
	GIE Groupement d'Etudes et de Prestations	France	Full	100.0%	100.0%		Full	100.0%	100.0%	
	Transvalor	France	Equity	20.2%	20.2%	E1				

(a) At 30 June 2021 and at 31 December 2020, 12 Private Equity investment entities

(b) At 30 June 2021 the securitisation funds UCI and RMBS Prado include 15 funds (FCC UCI 10 à 12, 14 à 17, Fondo de Titulizacion Structured Covered Bonds, RMBS Prado III à VIII et Green Belem I) versus 16 funds (FCC UCI 9 to 12, 14 to 17, Fondo de Titulizacion Structured Covered Bonds, RMBS Prado II to VII and Green Belem I) at 31 December 2020

(c) At 30 June 2021, 106 Construction-sale companies (81 Full and 25 Equity) versus 112 at 31 December 2020 (89 Full and 23 Equity)

Changes in the scope of consolidation

New entries (E) in the scope of consolidation

E1 Passing qualifying thresholds
E2 Incorporation
E3 Purchase, gain of control or significant influence

Removals (S) from the scope of consolidation

S1 Cessation of activity (dissolution, liquidation, ...)
S2 Disposal, loss of control or loss of significant influence
S3 Passing qualifying thresholds
S4 Merger, Universal transfer of assets and liabilities

Variance (V) in voting or ownership interest

V1 Additional purchase
V2 Partial disposal
V3 Dilution
V4 Increase in %

Miscellaneous

D1 Consolidation method change not related to fluctuation in voting or ownership interest

Equity * Controlled but non material entities consolidated under the equity method as associates

FV Joint control or investment in associates measured at Fair Value through P&L

s Structured entities
t Securitisation funds

Prudential scope of consolidation

(1) French subsidiaries whose supervision of prudential requirements is complied with through the supervision on a consolidated basis of BNP Paribas SA, in accordance with article 7.1 of Regulation n°575/2013 of the European Parliament and of the Council
(2) Entities consolidated under the equity method in the prudential scope
(3) Jointly controlled entities under proportional consolidation in the prudential scope
(4) Collective investment undertaking excluded from the prudential scope.

2.2 Statutory Auditor's report on the half year consolidated financial information (Period from 1 January 2021 to 30 June 2021) :

Deloitte & Associés	PricewaterhouseCoopers Audit	Mazars
6, place de la Pyramide	63, rue de Villiers	61, rue Henri Regnault
92908 Paris La Défense Cedex	92208 Neuilly-sur-Seine Cedex	92400 Courbevoie

Statutory Auditor's report on the half year consolidated financial information (Period from 1 January 2021 to 30 June 2021)

This is a free translation into English of the Statutory Auditors' review report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders
BNP Paribas SA
16 boulevard des Italiens
75009 PARIS

In compliance with the assignment entrusted to us by your General Shareholders' Meeting and in accordance with the requirements of article L. 451-1-2 III of the French Monetary and Financial Code (Code monétaire et financier), we hereby report to you on:

- the review of the accompanying condensed half-year consolidated financial statements of BNP Paribas SA for the six months ended 30 June 2021;

- the verification of the information contained in the half-year management report.

Due to the global crisis related to the Covid-19 pandemic, the financial statements of this period have been prepared and reviewed under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Those measures, such as travel restrictions and remote working, have also had an impact on the companies' internal organisation and the performance of our work.

These condensed half-year consolidated financial statements were prepared under the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

I - Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France.

A review of half-year financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-year consolidated financial statements have not been prepared, in all material respects, in accordance with IAS 34 "Interim Financial Reporting", as adopted by the European Union.

II - Specific verification

We have also verified the information given in the half-year management report on the condensed half-year consolidated financial statements subject to our review.

We have no matters to report as to its fair presentation and its consistency with the condensed half-year consolidated financial statements.

Paris La Défense, Neuilly-sur-Seine et à Courbevoie, 30 July 2021

The Statutory Auditors

Deloitte & Associés	PricewaterhouseCoopers Audit	Mazars
Laurence Dubois	Patrice Morot	Virginie Chauvin

3. RISKS AND CAPITAL ADEQUACY – PILLAR 3 [NON AUDITED]

PILLAR 3 – CHAPTER 5 of the UNIVERSAL REGISTRATION DOCUMENT
30 June 2021

KEY FIGURES

Regulation (EU) No 2019/876 (CCR2) provides, as of 28 June 2021, new provisions on the calculation of risk-weighted assets and new ratio requirements. The main impacts for the Group are as follows:

- Regulatory requirements for leverage ratio and Net Stable Funding ratio (NSFR) become effective, with a minimum of 3% for leverage (3.75% from 1 January 2023 based on unchanged G-SIB buffer requirement) and 100% for NSFR.

- The EAD of derivatives previously modelled using the mark-to-market method is now modelled using the standard method, corresponding to the sum of replacement cost and future potential exposure (see Tables EU OV1, EU LR1, EU LR2 and EU CCR1 here after);

- Exposures in the form of units or shares of collective investment undertakings previously weighted according to the simple weighting method are now treated using the transparency approach. The underlying exposures of these collective investment undertakings are weighted according to the standard credit risk approach (see Table EU OV1, EU CR4, EU CR5 and EU CR10 below).

Furthermore, on 30 June 2021, in accordance with Regulation (EU) No 2021/637, the format of the tables for Pillar 3 changes in accordance with the EBA technical standards (EBA/ITS/2020/04).

Update of the 2020 Universal registration document, table 1 page 282.

The capital ratio data below take into account the transitional provisions related to the introduction of IFRS 9 (Article 473bis of Regulation (EU) No 2017/2395 and Regulation (EU) No 2020/873 - see table IFRS9-FL below).

► KEY METRICS (EU KM1)

In millions of euros		30 June 2021	31 March 2021	31 December 2020	30 September 2020	30 June 2020
Available own funds						
1	Common Equity Tier 1 (CET1) capital	91,137	89,717	88,767	86,577	85,951
2	Tier 1 capital	100,162	98,783	98,806	96,592	96,338
3	Total capital	116,058	113,604	113,830	111,724	110,587
Risk-weighted exposure assets						
4	Total risk-weighted assets	704,665	703,185	695,523	685,583	695,522
Capital ratios (as a percentage of risk-weighted assets)						
5	Common Equity Tier 1 ratio	12.93%	12.76%	12.76%	12.63%	12.36%
6	Tier 1 ratio	14.21%	14.05%	14.21%	14.09%	13.85%
7	Total capital ratio	16.47%	16.16%	16.37%	16.30%	15.90%
Additional own funds requirements based on SREP (Pillar 2 requirement as a percentage of risk-weighted assets)						
EU 7a	Total Pillar 2 requirements	1.25%	1.25%	1.25%	1.25%	1.25%
EU 7b	Additional CET1 SREP requirements	0.70%	0.70%	0.70%	0.70%	0.70%
EU 7c	Additional AT1 SREP requirements	0.94%	0.94%	0.94%	0.94%	0.94%
EU 7d	Total SREP own funds requirements	9.25%	9.25%	9.25%	9.25%	9.25%
Combined buffer requirement (as a percentage of risk-weighted assets)						
8	Capital conservation buffer	2.50%	2.50%	2.50%	2.50%	2.50%
9	Institution specific countercyclical capital buffer	0.03%	0.03%	0.02%	0.02%	0.02%
EU 9a	Systemic risk buffer	0.00%	0.00%	0.00%	0.00%	0.00%
10	Global Systemically Important Institution buffer (G-SIB)	1.50%	1.50%	1.50%	1.50%	1.50%
EU 10a	Other Systemically Important Institution buffer (D-SIB)	1.50%	1.50%	1.50%	1.50%	1.50%
11	Combined buffer requirement (1)	4.03%	4.03%	4.02%	4.02%	4.02%
EU 11a	Total overall capital requirements	12.03%	12.03%	12.02%	12.02%	12.02%
12	CET1 available after meeting the total SREP own funds requirements	7.22%				
13	Leverage ratio total exposure measure (2)	2,529,619	2,280,910	1,998,414	2,170,780	2,388,849
14	Leverage ratio	3.96%	4.33%	4.94%	4.45%	4.03%
Additional own funds requirements to address risks of excessive leverage (as a percentage of leverage ratio total exposure amount)						
EU 14a	Additional requirements to address risk of excessive leverage	0.00%				
EU 14c	Total SREP leverage ratio requirements	3.00%				
Buffer and total leverage ratio requirements						
EU 14d	Applicable leverage buffer(3)	0.00%				
EU 14e	Overall leverage ratio requirements (3)	3.00%				
Liquidity Coverage Ratio						
15	Total high-quality liquid assets (HQLA) (Weighted value - average)	450,338	431,116	402,229	364,708	336,152
EU 16a	Cash outflows - Total weighted value	506,324	495,297	480,898	462,016	443,811
EU 16b	Cash inflows - Total weighted value	183,433	181,946	183,290	180,748	174,783
16	Total net cash outflows (adjusted value)	322,891	313,351	297,609	281,268	269,028
17	Liquidity coverage ratio	139.76%	137.70%	134.82%	129.24%	124.94%
Net Stable Funding Ratio						
18	Total available stable funding	1,072,628				
19	Total required stable funding	890,308				
20	NSFR ratio	120.48%				

(1) The buffer requirements take into account the highest buffer between G-SIB and D-SIB.

(2) The leverage ratio exposure, at 30 September 2020, 31 December 2020 and 31 March 2021, take into account the effect of the temporary exemption of deposits with the Eurosystem central banks. At 30 June 2021, the Group did not adopt this option.

(3) From 1st January 2023, the buffer leverage ratio will be 0.75% and the overall leverage ratio requirement will be 3.75%.

At 30 June 2021, the Group is above the new minimum requirements with a leverage ratio of 3.96% and an NSFR ratio of 120.48%.

CET1 capital requirement stands at 9.23% of RWA at 30 June 2021.

Regulatory capital and capital ratios as at 31 December 2020, 31 March 2021 and 30 June 2021 take into account a 50% pay-out ratio of 2020 net income. In May 2021, the Shareholders' Annual General Meeting approved the payment of an ordinary dividend of EUR 1.11 per share in cash, equivalent to 21% of 2020 net income, maximum amount based on the European Central Bank recommendation of 15 December 2020. The Board of Directors will propose to shareholders at the Shareholder's Meeting to pay an ordinary cash dividend of 1.55 euros per share[1]. This dividend is in addition to the ordinary dividend of 1.11 euros per share paid out in cash on 26 May 2021 and raises the total ordinary cash dividends paid out in 2021 to 2.66 euros, hence a pay-out ratio of 50% of the Group's 2020 net income.

Update of the 2020 Universal registration document, table 2 page 283.

► TABLE 2: TLAC RATIO (EU KM2)

	In millions of euros	30 June 2021	31 March 2021	31 December 2020	30 September 2020	30 June 2020
1	Total capital and other eligible liabilities	180,483	173,845	167,390	163,283	159,547
2	Risk-weighted assets	704,665	703,185	695,523	685,583	695,522
3	**TLAC RATIO** *(in percentage of risk-weighted assets)*	**25.61%**	**24.72%**	**24.07%**	**23.82%**	**22.94%**
4	Leverage ratio total exposure measure	2,529,619	2,280,910	1,998,414	2,170,780	2,388,849
5	**TLAC RATIO** *(in percentage of leverage ratio total exposure measure)*	**7.13%**	**7.62%**	**8.38%**	**7.52%**	**6.68%**
6a	Application of the exemption provided by Article 72b(4) of EU Regulation 2019/876(*)	n.a.	n.a.	n.a.	n.a.	n.a.
6b	In case of application of Article 72b, paragraph 3 of Regulation (UE) No. 2019/876: Total amount of preferred senior debt eligible to TLAC ratio(*)	Not applied	Not applied	Not applied	Not applied	Not applied
6c	In case of application of Article 72b, paragraph 3 of Regulation (UE) No. 2019/876: proportion of preferred senior debt used in the calculation of the TLAC ratio(*)	Not applied	Not applied	Not applied	Not applied	Not applied

(*) In accordance with Regulation (EU) No. 2019/876, article 72b paragraphs 3 and 4, some preferred senior debt instruments (amounting to EUR 16,274 million at 30 June 2021) are eligible within the limit of 2.5% of risk-weighted assets. The Group did not use this option as at 30 June 2021.

At 30 June 2021, TLAC ratio stands at 25.61% of risk-weighted assets, without calling on the preferred senior debt eligible within the limit of 2.5% of the risk-weighted assets. The Group is thus above the applicable minimum level of requirement.

TLAC ratio stands at 7.13% of leverage ratio total exposure measure without taking into account the temporary exemption related to Eurosystem central banks deposits. This ratio should be compared to a minimum requirement of 6% in 2021.

At 30 June 2021, the minimum TLAC requirement for the Group is 20.03% of risk-weighted assets, taking into account a 2.50% conservation buffer, a 1.50% G-SIBs buffer and a 0.03% countercyclical buffer.

[1] Subject to the approval of the General Meeting of 24 September 2021; detachment scheduled for 28 September 2021; pay-out on 30 September 2021

SCOPE OF APPLICATION

Update of the 2020 Universal registration document, table 10 page 306.

► TABLE 10: CONSOLIDATED BALANCE SHEET TO PRUDENTIAL BALANCE SHEET RECONCILIATION (EU CC2)

	30 June 2021				
In millions of euros	Accounting scope	Adjustment of insurance companies	Other adjustments related to consolidation methods(*)	Prudential scope	Reference to capital table (see Appendix 1)
ASSETS					
Cash and amounts due from central banks	383,585	-	513	384,098	-
Financial instruments at fair value through profit or loss					
Securities	262,767	548	458	263,773	-
of which own funds instruments in credit or financial institutions more than 10%-owned	*399*	*547*	*-*	*946*	*1*
of which own funds instruments in credit or financial institutions less than 10%-owned	*3,447*	*-*	*-*	*3,447*	*2*
Loans and repurchase agreements	287,969	3,018	(228)	290,759	-
Derivative financial instruments	237,889	629	(160)	238,358	-
Derivatives used for hedging purposes	9,075	(10)	(10)	9,055	-
Financial assets at fair value through equity					
Debt securities	43,381	2,690	213	46,284	-
of which own funds instruments in credit or financial institutions more than 10%-owned	-	2,690	-	2,690	*1*
of which own funds instruments in credit or financial institutions less than 10%-owned	11	-	-	11	*2*
Equity securities	2,668	-	-	2,668	-
of which own funds instruments in credit or financial institutions more than 10%-owned	859	-	-	859	*1*
of which own funds instruments in credit or financial institutions less than 10%-owned	1,191	-	-	1,191	*2*
Financial assets at amortised cost					
Loans and advances to credit institutions	33,133	-	(6)	33,127	-
of which own funds instruments in credit or financial institutions more than 10%-owned	*257*	-	*(53)*	*205*	*1*
of which own funds instruments in credit or financial institutions less than 10%-owned	-	-	-	-	*2*
Loans and advances to customers	*825,226*	*3,638*	*27,886*	*856,750*	-
of which own funds instruments in credit or financial institutions more than 10%-owned	*104*	*25*	*(104)*	*25*	*1*
of which own funds instruments in credit or financial institutions less than 10%-owned	*334*	-	-	*334*	*2*
Debt securities	118,526	-	877	119,403	-
of which own funds instruments in credit or financial institutions more than 10%-owned	-	*100*	-	*100*	*1*
of which own funds instruments in credit or financial institutions less than 10%-owned	*69*	-	-	*69*	*2*
Remeasurement adjustment on interest-rate risk hedged portfolios	3,946	-	53	3,999	-
Financial investments of insurance activities	272,743	(272,743)	-	-	-
Current and deferred tax assets	6,298	(25)	(52)	6,221	-
Accrued income and other assets	132,475	(4,061)	(3,257)	125,157	-
Equity-method investments	6,264	5,566	2,362	14,192	-
of which investments in credit or financial institutions	*5,601*	*5,344*	*(428)*	*10,518*	*1*
of which goodwill	*534*	*222*	*877*	*1,633*	*3*
Property, plant and equipment and investment property	34,506	(502)	(23,212)	10,792	-
Intangible assets	3,801	(229)	(114)	3,458	-
of which intangible assets excluding mortgage servicing rights	*3,772*	*(229)*	*(114)*	*3,429*	*3*
Goodwill	7,551	(222)	(877)	6,452	3
TOTAL ASSETS	**2,671,803**	**(261,703)**	**4,446**	**2,414,546**	**-**

In millions of euros	Accounting scope	Adjustment of insurance companies	Other adjustments related to consolidation methods(*)	Prudential scope	Reference to capital table (see Appendix 1)
					30 June 2021
LIABILITIES					
Deposits from central banks	4,665	-	-	4,665	-
Financial instruments at fair value through profit or loss					
Securities	126,230	-	-	126,230	-
Deposits and repurchase agreements	329,379	-	-	329,379	-
Issued debt securities	68,465	(5,297)	(144)	63,024	-
of which liabilities qualifying for Tier 1 capital	*205*	-	-	*205*	*4*
of which liabilities qualifying for Tier 2 capital	*41*	-	-	*41*	*5*
Derivative financial instruments	239,847	496	(158)	240,185	-
Derivatives used for hedging purposes	9,713	(8)	173	9,878	-
Financial liabilities at amortised cost					
Deposit from credit institutions	205,110	(5,534)	181	199,757	-
Deposit from customers	1,000,870	1,031	7,291	1,009,192	-
Debt securities	171,480	1,527	865	173,872	-
Subordinated debt	23,162	(1,795)	1	21,368	-
of which liabilities qualifying for Tier 1 capital	-	-	-	-	*4*
of which liabilities qualifying for Tier 2 capital	*20,562*	-	-	*20,562*	*5*
Remeasurement adjustment on interest-rate risk hedged portfolios	3,237	-	-	3,237	-
Current and deferred tax liabilities	3,275	(54)	(338)	2,883	-
Accrued expenses and other liabilities	107,891	(2,964)	(3,181)	101,746	-
Technical reserves and other insurance liabilities	248,502	(248,502)	-	-	-
Provisions for contingencies and charges	*9,514*	*(467)*	*(244)*	*8,803*	-
TOTAL LIABILITIES	**2,551,340**	**(261,567)**	**4,446**	**2,294,219**	**-**
EQUITY					
Share capital, additional paid-in capital and retained earnings	*111,226*	*5*	-	*111,231*	*6*
Net income for the period attributable to shareholders	*4,679*	-	-	*4,679*	*7*
Total capital, retained earnings and net income for the period attributable to shareholders	**115,905**	**5**	**-**	**115,910**	**-**
Changes in assets and liabilities recognised directly in equity	*86*	*(6)*	-	*80*	-
Shareholders' equity	**115,991**	**(1)**	**-**	**115,990**	-
Minority interests	**4,472**	**(135)**	**-**	**4,337**	*8*
TOTAL CONSOLIDATED EQUITY	**120,463**	**(136)**	**-**	**120,327**	**-**
TOTAL LIABILITIES AND EQUITY	**2,671,803**	**(261,703)**	**4,446**	**2,414,546**	**-**

(*) Adjustment of jointly controlled entities under proportional consolidation for prudential scope, which are consolidated using the equity method within the accounting scope, and of the unregulated entities of BNP Paribas Real Estate and Arval consolidated using the equity method within the prudential scope which are fully consolidated within the accounting scope.

	31 December 2020				
In millions of euros	Accounting scope	Adjustment of insurance companies	Other adjustments related to consolidation methods(*)	Prudential scope	Reference - capital table (see Appendix 1)
ASSETS					
Cash and amounts due from central banks	308,703	-	588	309,291	-
Financial instruments at fair value through profit or loss					
Securities	167,927	551	602	169,080	-
of which own funds instruments in credit or financial institutions more than 10%-owned	*441*	*547*	*-*	*988*	*1*
of which own funds instruments in credit or financial institutions less than 10%-owned	*3,753*	*-*	*-*	*3,753*	*2*
Loans and repurchase agreements	244,878	2,545	(147)	247,276	-
Derivative financial instruments	276,779	493	(230)	277,042	-
Derivatives used for hedging purposes	15,600	(5)	(26)	15,569	-
Financial assets at fair value through equity					
Debt securities	55,981	2,691	235	58,907	-
of which own funds instruments in credit or financial institutions more than 10%-owned	-	2,690	-	2,690	*1*
of which own funds instruments in credit or financial institutions less than 10%-owned	11	-	-	11	*2*
Equity securities	2,209	-	-	2,209	-
of which own funds instruments in credit or financial institutions more than 10%-owned	566	-	-	566	*1*
of which own funds instruments in credit or financial institutions less than 10%-owned	1,094	-	-	1,094	*2*
Financial assets at amortised cost					
Loans and advances to credit institutions	18,982	-	(32)	18,950	-
of which own funds instruments in credit or financial institutions more than 10%-owned	*257*	*-*	*(53)*	*205*	*1*
of which own funds instruments in credit or financial institutions less than 10%-owned	*-*	*-*	*-*	*-*	*2*
Loans and advances to customers	*809,533*	*4,136*	*27,215*	*840,884*	-
of which own funds instruments in credit or financial institutions more than 10%-owned	*107*	*25*	*(107)*	*25*	*1*
of which own funds instruments in credit or financial institutions less than 10%-owned	*334*	*-*	*-*	*334*	*2*
Debt securities	118,316	-	902	119,218	-
of which own funds instruments in credit or financial institutions more than 10%-owned	*100*	*-*	*-*	*100*	*1*
of which own funds instruments in credit or financial institutions less than 10%-owned	*68*	*-*	*-*	*68*	*2*
Remeasurement adjustment on interest-rate risk hedged portfolios	5,477	-	75	5,552	-
Financial investments of insurance activities	265,356	(265,356)	-	-	-
Current and deferred tax assets	6,559	(5)	(19)	6,535	-
Accrued income and other assets	140,904	(3,942)	(3,142)	133,820	-
Equity-method investments	6,396	6,126	2,263	14,785	-
of which investments in credit or financial institutions	*5,665*	*5,851*	*(364)*	*11,152*	1
of which goodwill	*618*	*279*	*865*	*1,762*	3
Property, plant and equipment and investment property	33,499	(513)	(21,890)	11,096	-
Intangible assets	3,899	(301)	(111)	3,487	-
of which intangible assets excluding mortgage servicing rights	*3,871*	*(301)*	*(111)*	*3,459*	3
Goodwill	7,493	(279)	(867)	6,347	3
TOTAL ASSETS	**2,488,491**	**(253,859)**	**5,416**	**2,240,048**	**-**

In millions of euros	31 December 2020				
	Accounting scope	Adjustment of insurance companies	Other adjustments related to consolidation methods(*)	Prudential scope	Reference - capital table (see Appendix 1)
LIABILITIES					
Deposits from central banks	1,594	-	-	1,594	-
Financial instruments at fair value through profit or loss					
Securities	94,263	-	-	94,263	-
Deposits and repurchase agreements	288,595	-	-	288,595	-
Issued debt securities	64,048	(4,927)	(140)	58,981	-
of which liabilities qualifying for Tier 1 capital	*205*	-	-	*205*	*4*
of which liabilities qualifying for Tier 2 capital	*52*	-	-	*52*	*5*
Derivative financial instruments	282,608	738	(228)	283,118	-
Derivatives used for hedging purposes	13,320	(49)	252	13,523	-
Financial liabilities at amortised cost					
Deposit from credit institutions	147,657	(6,860)	116	140,913	-
Deposit from customers	940,991	1,364	7,077	949,432	-
Debt securities	148,303	1,660	2,181	152,144	-
Subordinated debt	22,474	(1,744)	(21)	20,709	-
of which liabilities qualifying for Tier 1 capital	-	-	-	-	*4*
of which liabilities qualifying for Tier 2 capital	*19,443*	-	-	*19,443*	*5*
Remeasurement adjustment on interest-rate risk hedged portfolios	6,153	-	-	6,153	-
Current and deferred tax liabilities	3,001	(137)	(241)	2,623	-
Accrued expenses and other liabilities	107,846	(2,610)	(3,327)	101,909	-
Technical reserves and other insurance liabilities	240,741	(240,741)	-	-	-
Provisions for contingencies and charges	*9,548*	*(419)*	*(253)*	*8,876*	-
TOTAL LIABILITIES	**2,371,142**	**(253,725)**	**5,416**	**2,122,833**	**-**
EQUITY					
Share capital, additional paid-in capital and retained earnings	*106,227*	*4*	-	*106,231*	*6*
Net income for the period attributable to shareholders	*7,067*	-	-	*7,067*	*7*
Total capital, retained earnings and net income for the period attributable to shareholders	**113,295**	**4**	**-**	**113,299**	-
Changes in assets and liabilities recognised directly in equity	*(496)*	*(6)*	-	*(502)*	-
Shareholders' equity	**112,799**	**(2)**	**-**	**112,797**	-
Minority interests	**4,551**	**(132)**	**-**	**4,419**	*8*
TOTAL CONSOLIDATED EQUITY	**117,349**	**(134)**	**-**	**117,215**	**-**
TOTAL LIABILITIES AND EQUITY	**2,488,491**	**(253,859)**	**5,416**	**2,240,048**	**-**

(*) Adjustment of jointly controlled entities under proportional consolidation for prudential purposes, which are consolidated using the equity method within the accounting scope, and of the unregulated entities of BNP Paribas Real Estate and Arval consolidated using the equity method within the prudential scope which are fully consolidated within the accounting scope.

REGULATORY CAPITAL

Update of the 2020 Universal registration document, table 14 page 317.

► TABLE 14: REGULATORY CAPITAL

In millions of euros	30 June 2021	31 December 2020
Common Equity Tier 1 (CET1) capital: instruments and reserves		
Capital instruments and the related share premium accounts	27,133	27,133
of which ordinary shares	*27,133*	27,133
Retained earnings	74,868	69,621
Accumulated other comprehensive income (and other reserves, to include unrealised gains and losses under the applicable accounting standards)	320	(252)
Minority interests (amount allowed in consolidated CET1)	1,481	1,684
Independently reviewed interim profits net of any foreseeable charge or dividend	2,238	5,247
COMMON EQUITY TIER 1 (CET1) CAPITAL BEFORE REGULATORY ADJUSTMENTS	**106,040**	**103,433**
Common Equity Tier 1 (CET1) capital: regulatory adjustments	**(14,904)**	**(14,666)**
COMMON EQUITY TIER 1 (CET1) CAPITAL	**91,137**	**88,767**
Additional Tier 1 (AT1) capital: instruments(*)	**9,515**	**10,524**
Additional Tier 1 (AT1) capital: regulatory adjustments	**(490)**	**(485)**
ADDITIONAL TIER 1 (AT1) CAPITAL	**9,025**	**10,040**
TIER 1 CAPITAL (T1 = CET1 + AT1)	**100,162**	**98,806**
Tier 2 (T2) capital: instruments and provisions(*)	**19,958**	**18,995**
Tier 2 (T2) capital: regulatory adjustments	**(4,061)**	**(3,971)**
Tier 2 (T2) CAPITAL	**15,896**	**15,024**
TOTAL CAPITAL (TC = T1 + T2)	**116,058**	**113,830**

(*) In accordance with the eligibility rules for grandfathered debt in additional Tier1 capital and Tier2 capital applicable in 2020.

Update of the 2020 Universal registration document, table 17 page 320.

► TABLE 17: EFFECT OF THE APPLICATION OF TRANSITIONAL ARRANGEMENTS FOR IFRS 9 ACCOUNTING STANDARD (EU IFRS9-FL)

In millions of euros		30 June 2021	31 December 2020
Available capital			
1	Common Equity Tier 1 (CET1) capital	91,137	88,767
2	Common Equity Tier 1 (CET1) capital as if IFRS 9 transitional arrangements had not been applied	90,235	87,732
3	Tier 1 capital	100,162	98,806
4	Tier 1 capital as if IFRS 9 transitional arrangements had not been applied	99,260	97,772
5	Total capital	116,058	113,830
6	Total capital as if IFRS 9 transitional arrangements had not been applied	115,975	113,511
Risk-weighted assets			
7	Risk-weighted assets	704,665	695,523
8	Risk-weighted assets as if IFRS 9 transitional arrangements had not been applied	705,147	695,916
Capital ratios			
9	Common Equity Tier 1 (CET1) capital	12.93%	12.76%
10	Common Equity Tier 1 (CET1) capital as if IFRS 9 transitional arrangements had not been applied	12.80%	12.61%
11	Tier 1 capital	14.21%	14.21%
12	Tier 1 capital as if IFRS 9 transitional arrangements had not been applied	14.08%	14.05%
13	Total capital	16.47%	16.37%
14	Total capital as if IFRS 9 transitional arrangements had not been applied	16.45%	16.31%
Leverage ratios			
15	Leverage ratio total exposure measure	2,529,619	1,998,414
16	Leverage ratio	3.96%	4.94%
17	Leverage ratio as if IFRS 9 transitional arrangements had not been applied	3.92%	4.90%

At 30 June 2021, the Group does not apply the provisions on the temporary treatment of unrealised gains and losses on financial instruments at fair value through equity issued by central or regional governments and local authorities, as defined in article 468 of Regulation (EU) No. 2020/873.

CAPITAL REQUIREMENT AND RISK-WEIGHTED ASSETS

Update of the 2020 Universal registration document, table 18 page 321.

► OVERVIEW OF RISK-WEIGHTED EXPOSURE AMOUNTS (EU OV1)

In millions of euros		RWAs 30 June 2021	RWAs 31 December 2020	Capital requirements 30 June 2021
1	**Credit risk**	**545,672**	**527,189**	**43,654**
2	Of which the standardised approach(1)	203,780	193,906	**16,302**
EU 4a	Of which: equities under the simple weighting approach(1)	49,014	55,081	**3,921**
5	Of which the advanced IRB (A-IRB) approach	292,877	278,202	**23,430**
6	**Counterparty credit risk**	**41,866**	**40,961**	**3,349**
7	Of which the standardised approach(2)	1,353	1,654	**108**
8	Of which internal model method (IMM)	34,087	33,164	**2,727**
EU 8a	Of which exposures to CCP related to cleating activities	2,957	3,333	**237**
EU 8b	Of which CVA	3,463	2,810	**277**
9	Of which other	6	0	**0**
15	**Settlement risk**	**20**	**4**	**2**
16	**Securitisation exposures in the banking book**	**13,085**	**14,472**	**1,047**
17	of which internal ratings based approach (SEC-IRBA)	6,874	12,279	**550**
18	of which external ratings based approach (SEC-ERBA)	2,095	1,270	**168**
19	of which standardised approach (SEC-SA)	4,116	923	**329**
EU 19a	Of which exposures weighted at 1250% (or deducted from own funds)(3)	-		
20	**Market risk**	**24,397**	**25,210**	**1,952**
21	Of which the standardised approach	1,902	2,096	**152**
22	of which internal model approach (IMA)	22,495	23,114	1,800
23	**Operational risk**	**62,473**	**70,626**	**4,998**
EU 23a	Of which basic indicator approach	3,546	3,623	**284**
EU 23b	Of which standardised approach	11,145	11,203	**892**
EU 23c	Of which advanced measurement approach	47,783	55,800	**3,823**
24	**Amounts below the thresholds for deduction (subject to 250% risk weight)**	**17,152**	**17,061**	**1,372**
29	**Total**	**704,665**	**695,523**	**56,373**

(1) Since 30 June 2021, exposures in the form of units or shares of collective investment undertakings previously weighted by the simple weighting method have been treated using the transparency approach. The underlying exposures of these collective investment undertakings are weighted according to the standard credit risk approach.

(2) Since 30 June 2021, in accordance with Regulation (EU) No 2019/876 (CRR2), the EAD of derivatives previously modelled using the market price valuation method has been modelled using the standard method, corresponding to the sum of replacement cost and future potential exposure.

(3) The group opted for the deductive approach rather than a weighting of 1250%. The amount of securitisation exposures in the banking book deducted from own funds stands at EUR 131 million at 30 June 2021.

Since 31 March 2020, the Group applies the provisions provided by Regulation (EU) No. 2017/2395 related to the introduction of the IFRS 9 accounting standard for the credit risk-weighted assets calculation. Since 30 June 2020, the Group also applies the provisions provided by Regulation (EU) No. 2020/875 complementing those transitional arrangements (see table EU IFRS9-FL).

Update of the 2020 Universal registration document, table 22 page 330.

► TABLE 22: COMPOSITION OF TLAC RATIO (EU TLAC1)

In millions of euros		30 June 2021	31 December 2020
Regulatory capital			
1	Common Equity Tier 1 capital (CET1)	91,137	88,767
2	Additional Tier 1 capital (AT1)	9,025	10,040
6	Tier 2 capital (Tier 2)	15,896	15,024
11	**Total TLAC eligible capital**	**116,058**	**113,830**
Other eligible liabilities			
12	Non preferred senior debt issued directly by the resolution entity (not grandfathered)(*)	63,414	52,731
EU-12a	Non preferred senior debt issued by other entities within the resolution group (not grandfathered)	-	-
EU-12b	Non preferred senior debt issued prior to 27 June 2019 (grandfathered)	-	-
EU-12c	Amortised portion of Tier 2 instruments with remaining maturity over one year	1,011	829
13	Preferred senior debt (not grandfathered pre cap)	Option not applied	Option not applied
EU-13a	Preferred senior debt issued prior to 27 June 2019 (pre-cap)	Option not applied	Option not applied
14	Preferred senior debt, where applicable after application of Article 72b (3) of Regulation (EU) No. 2019/876 (capped to 2.5% of risk-weighted assets)	Option not applied	Option not applied
17	Eligible liabilities items before adjustments	64,425	53,560
EU-17a	*Of which subordinated*	*64,425*	*53,560*
Own funds and eligible liabilities: Adjustments to non-regulatory capital elements			
18	Total capital and other TLAC-eligible liabilities before regulatory adjustments	180,483	167,390
19	Deduction of exposures between MPE resolution groups	-	-
20	Deduction of investments in other eligible liabilities instruments	-	-
22	**Total capital and other TLAC-eligible liabilities after regulatory adjustments**	**180,483**	**167,390**
Risk-weighted assets and leverage ratio total exposure measure			
23	**Risk-weighted assets (RWAs)**	**704,665**	**695,523**
24	**Leverage ratio total exposure measure**	**2,529,619**	**1,998,414**
25	**TLAC RATIO** *(as a percentage of risk-weighted assets)*	**25.61%**	**24.07%**
26	**TLAC RATIO** *(as a percentage of leverage ratio total exposure measure)*	**7.13%**	**8.38%**
27	CET1 (as a percentage of RWAs) available after meeting the resolution group's requirements	7.22%	
28	Combined buffer requirement	4.03%	4.02%
29	*of which capital conservation buffer*	2.50%	2.50%
30	*of which countercyclical buffer*	0.03%	0.02%
31	*of which systemic risk buffer*	0.00%	0.00%
EU-31a	*of which G-SIBs or D-SIBs buffer*	1.50%	1.50%
EU-32	**Total amount of excluded liabilities referred to in Article 72a(2) CRR**	**1,868,890**	**1,653,908**

(*) Outstanding principal amount

At 30 June 2021, the Group's TLAC ratio exceeds the applicable minimum level of requirement. This ratio stands at 25.61% of risk-weighted assets, without using senior preferred debt, which are eligible up to a limit of 2.5% of risk-weighted assets. It is 7.13% of leverage exposures without taking into account the effect of the temporary exemption for deposits with Eurosystem central banks in the calculation of leverage exposures, pursuant to Article 500b of Regulation (EU) No. 2020/873.

Update of the 2020 Universal registration document, table 23 page 331.

► TABLE 23: CREDITOR RANKING OF THE RESOLUTION ENTITY- BNP PARIBAS SA (*) (EU TLAC3)

In millions of euros		30 June 2021				
		Insolvency ranking				
		1	2	3	4	TOTAL
1	Description of insolvency ranking	CET1 capital (**)	AT1 capital (**)	T2 capital (**)	Non preferred senior debt (***)	
2	Regulatory capital instruments and debt instruments	111,325	9,211	20,305	64,415	**205,256**
3	*of which excluded instruments*	-	-	-	-	**-**
4	Regulatory capital instruments and eligble debt instruments	111,325	9,211	20,305	64,415	**205,256**
5	*of which instruments eligible for the TLAC ratio*	*111,325*	*9,211*	*20,003*	*63,414*	***203,953***
6	*of which residual maturity ≥ 1 year < 2 years*	-	-	*59*	*5,000*	***5,059***
7	*of which residual maturity ≥ 2 year < 5 years*	-	-	*5,397*	*23,409*	***28,807***
8	*of which residual maturity ≥ 5 years < 10 years*	-	-	*7,088*	*25,639*	***32,727***
9	*of which residual maturity ≥ 10 years (excluding perpetual)*	-	-	*7,459*	*9,365*	***16,824***
10	*of which perpetual instruments*	*111,325*	*9,211*	-	-	***120,536***

(*) The data presented corresponds to the scope of the BNP Paribas SA resolution entity.
(**) Amounts before regulatory adjustments
(***) Outstanding principal amount

In millions of euros		31 December 2020				
		Insolvency ranking				
		1	2	2	3	TOTAL
1	Description of insolvency ranking	CET1 capital (**)	AT1 capital (**)	T2 capital (**)	Non preferred senior debt (***)	
2	Regulatory capital instruments and debt instruments	107,892	9,948	19,181	52,731	**189,752**
3	*of which excluded instruments*	-	-	-	-	**-**
4	Regulatory capital instruments and eligble debt instruments	107,892	9,948	19,181	52,731	**189,752**
5	*of which instruments eligible for the TLAC ratio*	*107,892*	*9,948*	*19,181*	*52,731*	***189,752***
6	*of which residual maturity ≥ 1 year < 2 years*	-	-	*350*	*2,779*	***3,130***
7	*of which residual maturity ≥ 2 year < 5 years*	-	-	*3,476*	*20,793*	***24,269***
8	*of which residual maturity ≥ 5 years < 10 years*	-	-	*9,126*	*22,609*	***31,735***
9	*of which residual maturity ≥ 10 years (excluding perpetual)*	-	-	*6,228*	*6,550*	***12,778***
10	*of which perpetual instruments*	*107,892*	*9,948*	-	-	***117,840***

(*) The data presented correspond to the scope of the BNP Paribas SA resolution entity.
(**) Amounts before regulatory adjustments
(***) Outstanding principal amount

Update of the 2020 Universal registration document, table 24 page 332.

The regulatory requirement for leverage ratio has become effective since 28 June 2021, with a minimum of 3% for leverage (3.75% from 1 January 2023 based on unchanged G-SIB buffer requirement). At 30 June 2021, the Group is well above this minimum requirement with a leverage ratio of 3.96%.

At 30 June 2021, the Group did not opt for the temporary central bank deposit exemption.

► TABLE N° 24 : LEVERAGE RATIO - DETAIL

► *Reconciliation of accounting assets and leverage ratio exposures (LR1)*

In millions of euros		30 June 2021	31 December 2020
1	Total assets as per published financial statements	2,671,803	2,488,491
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of regulatory consolidation	(263,946)	(248,445)
3	(Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference)	(3,500)	
4	(Adjustment for temporary exemption of exposures to central bank (if applicable))	-	(254,189)
8	Adjustments for derivative financial instruments	(28,912)	(148,610)
9	Adjustment for securities financing transactions (SFTs)(*)	25,973	5,567
10	Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	192,524	181,931
11	(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital)	(2,583)	
11b	(Adjustment for exposures excluded from the leverage ratio total exposure measure in accordance with point (j) of Article 429a(1) CRR)	(12,735)	(11,625)
12	Other adjustments	(49,003)	(14,706)
13	**Leverage ratio total exposure measure**	**2,529,619**	**1,998,414**

(*) Securities Financing Transactions: repurchase agreements and securities borrowing/lending

► *Leverage ratio common disclosure (EU LR2)*

In millions of euros		30 june 2021	31 december 2020
	On-balance sheet exposures (excluding derivatives and SFTs(*))		
1	On-balance sheet items (excluding derivatives, SFTs, but including collateral)	1,869,914	1,701,568
3	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	(28,580)	
6	(Asset amounts deducted in determining Tier 1 capital)	(14,359)	(14,128)
7	**Total on-balance sheet exposures (excluding derivatives and SFTs)**	**1,826,974**	**1,687,440**
	Derivative exposures		
8	Replacement cost associated with SA-CCR derivatives transactions (ie net of eligible cash variation margin)	68,542	68,644
9	Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	123,016	
9a	Derogation for derivatives: Potential future exposure contribution under the simplified standardised approach	-	134,854
10a	(Exempted CCP leg of client-cleared trade exposures) (simplified standardised approach)	-	(24,479)
10b	(Exempted CCP leg of client-cleared trade exposures) (original exposure method)	-	(49,812)
11	Adjusted effective notional amount of written credit derivatives	516,230	429,943
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	(500,924)	(415,149)
13	**Total derivatives exposures**	**206,864**	**144,001**
	Securities financing transaction (SFT) exposures		
14	Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	458,647	370,363
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	(167,703)	(142,263)
16	Counterparty credit risk exposure for SFT assets	25,973	22,756
18	**Total securities financing transaction exposures**	**316,916**	**250,856**
	Other off-balance sheet exposures		
19	Off-balance sheet exposures at gross notional amount	466,796	455,280
20	(Adjustments for conversion to credit equivalent amounts)	(275,197)	(273,348)
22	**Off-balance sheet exposures**	**191,599**	**181,931**
	Excluded exposures		
22a	(Exposures excluded from the leverage ratio total exposure measure in accordance with point (c) of Article 429a(1) CRR)	-	(254,189)
22b	(Exposures exempted in accordance with point (j) of Article 429a (1) CRR (on and off balance sheet))	(12,735)	(11,625)
22k	**(Total exempted exposures)**	**(12,735)**	**(265,814)**
	Capital and total exposure measure		
23	**Tier 1 capital**	**100,162**	**98,806**
24	**Leverage ratio total exposure measure**	**2,529,619**	**1,998,414**
25	**Leverage ratio**	**3.96%**	**4.94%**
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) (%)		**4.36%**
	Leverage requirement		
26	Regulatory minimum leverage ratio requirement (%)	3.00%	
26a	Additional leverage ratio requirements (%)	0.00%	
26b	*of which: to be made up of CET1 capital*	*0.00%*	
27	Leverage ratio buffer requirement (%)	0.00%	
27a	Overall leverage ratio requirement (%)	3.00%	

(*) Securities Financing Transactions: repurchase agreements and securities borrowing/lending

▶ *Split of on-balance sheet exposures (excluding derivatives, SFTs and exempted exposures) (EU LR3)*

In millions of euros		30 June 2021	31 December 2020
EU-1	**Total on-balance sheet exposures (excluding derivatives, SFTs(*), and exempted exposures), of which:**	**1,816,960**	**1,421,626**
EU-2	Trading book exposures	260,289	165,196
EU-3	Banking book exposures, of which:	1,556,671	1,256,430
EU-4	Covered bonds	-	-
EU-5	Exposures treated as sovereigns	526,824	198,774
EU-6	Exposures to regional governments, MDB, international organisations and PSE not treated as sovereigns	41,284	38,257
EU-7	Institutions	33,291	35,607
EU-8	Secured by mortgages of immovable properties	180,248	181,557
EU-9	Retail exposures	240,437	233,828
EU-10	Corporate	339,916	332,834
EU-11	Exposures in default	14,930	14,309
EU-12	Other exposures (eg equity, securitisations, and other non-credit obligation assets)	179,740	221,265

(*) Securities Financing Transactions: repurchase agreements and securities borrowing/lending

CREDIT RISK

Credit risk IRB approach

Update of the 2020 Universal registration document, table 35 page 369.

► TABLE 35 : IRB APPROACH – CREDIT RISK EXPOSURES BY EXPOSURE CLASS AND PD RANGE - CENTRAL GOVERNMENTS, CENTRAL BANKS AND INSTITUTIONS - (EU CR6)

		30 June 2021											
In millions of euros	PD scale	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Average off balance-sheet CCF	EAD	Average PD (%)	Number of obligors	Average LGD (%)	Average maturity	RWA(*)	Weight average	Expected loss amount (**)	Value adjust-ments and provisions(**)
Central governments and central banks	0.00 to < 0.15 %	491,439	1,426	46%	492,421	0%	100 to 1,000	2%	2	2,322	0%	3	
	0.00 to < 0.10 %	*486,845*	*1,423*	*46%*	*487,826*	*0%*	*100 to 1,000*	*2%*	*2*	*1,313*	*0%*	*1*	
	0.10 to < 0.15 %	*4,594*	*2*	*47%*	*4,595*	*0%*	*0 to 100*	*19%*	*4*	*1,010*	*22%*	*1*	
	0.15 to < 0.25 %	1,275	1	63%	1,276	0%	0 to 100	14%	3	182	14%	0	
	0.25 to < 0.50 %	1,981	229	55%	2,107	0%	0 to 100	24%	2	557	26%	1	
	0.50 to < 0.75 %	1,013	641	55%	1,365	1%	0 to 100	16%	2	406	30%	2	
	0.75 to < 2.50 %	549	6	56%	711	1%	0 to 100	16%	3	213	30%	1	
	0.75 to < 1.75 %	*428*	*0*	*13%*	*587*	*1%*	*0 to 100*	*14%*	*3*	*147*	*25%*	*1*	
	1.75 to < 2.5 %	*121*	*6*	*56%*	*125*	*2%*	*0 to 100*	*22%*	*2*	*66*	*53%*	*1*	
	2.50 to < 10.0 %	119	98	55%	173	6%	0 to 100	7%	4	56	32%	1	
	2.5 to < 5 %	*31*	*0*	*50%*	*31*	*3%*	*0 to 100*	*4%*	*1*	*2*	*6%*	*0*	
	5 to < 10 %	*88*	*98*	*55%*	*142*	*7%*	*0 to 100*	*7%*	*4*	*54*	*38%*	*1*	
	10.0 to < 100 %	394	260	53%	536	14%	0 to 100	8%	3	228	43%	8	
	10 to < 20 %	*348*	*181*	*55%*	*451*	*12%*	*0 to 100*	*3%*	*4*	*71*	*16%*	*2*	
	20 to < 30 %	*46*	*78*	*50%*	*85*	*22%*	*0 to 100*	*33%*	*1*	*157*	*184%*	*6*	
	100% (default)	52	4	55%	55	100%	0 to 100	20%	2	27	50%	9	
SUB-TOTAL		**496,822**	**2,664**	**50%**	**498,643**	**0%**		**2%**	**2**	**3,992**	**1%**	**26**	**(24)**
Institutions	0.00 to < 0.15 %	26,781	18,643	49%	36,080	0%	1,000 to 10,000	28%	2	5,997	17%	6	
	0.00 to < 0.10 %	*24,280*	*12,911*	*47%*	*30,519*	*0%*	*1,000 to 10,000*	*28%*	*3*	*4,926*	*16%*	*4*	
	0.10 to < 0.15 %	*2,501*	*5,642*	*53%*	*5,561*	*0%*	*100 to 1,000*	*26%*	*2*	*1,125*	*20%*	*3*	
	0.15 to < 0.25 %	1,187	1,337	48%	1,830	0%	100 to 1,000	41%	2	744	41%	1	
	0.25 to < 0.50 %	1,970	1,217	46%	2,538	0%	100 to 1,000	26%	2	854	34%	2	
	0.50 to < 0.75 %	626	388	31%	748	1%	100 to 1,000	23%	3	355	47%	1	
	0.75 to < 2.50 %	3,940	576	44%	4,196	1%	100 to 1,000	21%	1	1,608	38%	12	
	0.75 to < 1.75 %	*3,432*	*512*	*44%*	*3,661*	*1%*	*100 to 1,000*	*18%*	*1*	*1,317*	*36%*	*7*	
	1.75 to < 2.5 %	*508*	*77*	*34%*	*535*	*2%*	*100 to 1,000*	*41%*	*2*	*234*	*44%*	*4*	
	2.50 to < 10.0 %	555	1,963	43%	1,399	5%	100 to 1,000	28%	2	1,430	102%	18	
	2.5 to < 5 %	*531*	*1,248*	*36%*	*977*	*4%*	*100 to 1,000*	*27%*	*3*	*919*	*94%*	*9*	
	5 to < 10 %	*24*	*721*	*55%*	*422*	*7%*	*100 to 1,000*	*31%*	*1*	*510*	*121%*	*9*	
	10.0 to < 100 %	42	83	66%	97	13%	100 to 1,000	49%	1	244	252%	6	
	10 to < 20 %	*34*	*64*	*76%*	*83*	*12%*	*0 to 100*	*48%*	*1*	*198*	*240%*	*5*	
	20 to < 30 %	*8*	*18*	*33%*	*14*	*22%*	*0 to 100*	*52%*	*2*	*46*	*325%*	*2*	
	100% (default)	245	9	20%	247	100%	0 to 100	83%	4	8	3%	203	
SUB-TOTAL		**35,346**	**24,144**	**48%**	**47,133**	**1%**		**28%**	**2**	**11,236**	**24%**	**250**	**(239)**
TOTAL		**532,168**	**26,809**		**545,776**					**15,228**	**3%**	**275**	**(264)**

(*) Add-on included.

(**) The expected losses and provisions are not directly comparable data: the expected one-year losses are statistical estimates through the cycle (TTC) whilst the provisions for credit risk are calculated according to the IFRS 9 standard as explained in note 1.e.5 to the financial statements.

► TABLE N° 35 : – IRB APPROACH – CREDIT RISK EXPOSURES BY EXPOSURE CLASS AND PD RANGE – SME CORPORATES, CORPORATES SPECIALISED LENDING AND OTHER CORPORATES – (CR6)

		30 June 2021											
In millions of euros	PD scale	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Average off balance-sheet CCF	EAD	Average PD (%)	Number of obligors	Average LGD (%)	Average maturity	RWA(*)	Weight average	Expected loss amount(**)	Value adjustments and provisions(**)
Corporates - Specialised Lending	0.00 to < 0.15 %	5,264	2,977	52%	6,825	0%	1,000 to 10,000	15%	4	1,537	23%	60	
	0.00 to < 0.10 %	*3,324*	*1,777*	*69%*	*4,557*	*0%*	*100 to 1,000*	*15%*	*4*	*1,008*	*22%*	*0*	
	0.10 to < 0.15 %	*1,940*	*782*	*42%*	*2,268*	*0%*	*100 to 1,000*	*14%*	*4*	*328*	*14%*	*0*	
	0.15 to < 0.25 %	6,490	2,508	45%	7,606	0%	100 to 1,000	17%	3	1,562	21%	2	
	0.25 to < 0.50 %	13,701	6,713	51%	17,240	0%	1,000 to 10,000	16%	4	4,972	29%	10	
	0.50 to < 0.75 %	7,290	3,324	46%	8,841	1%	1,000 to 10,000	15%	3	3,798	43%	9	
	0.75 to < 2.50 %	13,146	7,655	44%	16,533	1%	1,000 to 10,000	15%	3	6,834	41%	31	
	0.75 to < 1.75 %	*10,778*	*6,494*	*43%*	*13,542*	*1%*	*1,000 to 10,000*	*15%*	*3*	*5,620*	*42%*	*24*	
	1.75 to < 2.5 %	*2,368*	*1,432*	*43%*	*2,991*	*2%*	*100 to 1,000*	*12%*	*3*	*1,289*	*43%*	*8*	
	2.50 to < 10.0 %	6,641	2,996	52%	8,210	5%	1,000 to 10,000	14%	3	3,911	48%	53	
	2.5 to < 5 %	*3,733*	*2,259*	*51%*	*4,885*	*3%*	*100 to 1,000*	*13%*	*3*	*2,026*	*41%*	*21*	
	5 to < 10 %	*2,908*	*747*	*56%*	*3,325*	*7%*	*100 to 1,000*	*15%*	*3*	*1,931*	*58%*	*32*	
	10.0 to < 100 %	2,429	2,458	74%	4,242	16%	100 to 1,000	9%	4	2,107	50%	61	
	10 to < 20 %	*2,128*	*2,446*	*74%*	*3,930*	*15%*	*100 to 1,000*	*8%*	*4*	*1,842*	*47%*	*50*	
	20 to < 30 %	*302*	*12*	*78%*	*311*	*22%*	*0 to 100*	*16%*	*3*	*277*	*89%*	*11*	
	100% (default)	1,836	50	59%	1,866	100%	100 to 1,000	44%	2	183	10%	872	
SUB-TOTAL		**56,797**	**28,545**	**51%**	**71,363**	**5%**		**15%**	**3**	**24,835**	**35%**	**1039**	**(1,072)**
Corporates - SME	0.00 to < 0.15 %	1,604	2,278	44%	2,631	0%	1,000 to 10,000	34%	3	719	27%	136	
	0.00 to < 0.10 %	852	1,438	63%	1,775	0%	100 to 1,000	37%	3	500	28%	0	
	0.10 to < 0.15 %	752	242	42%	855	0%	1,000 to 10,000	29%	2	190	22%	0	
	0.15 to < 0.25 %	1,764	877	49%	2,213	0%	1,000 to 10,000	29%	3	653	29%	1	
	0.25 to < 0.50 %	6,383	1,803	53%	7,369	0%	10,000 to 20,000	27%	3	2,667	36%	7	
	0.50 to < 0.75 %	2,385	605	25%	2,546	1%	1,000 to 10,000	22%	3	880	35%	4	
	0.75 to < 2.50 %	8,496	1,545	51%	9,303	1%	10,000 to 20,000	25%	3	4,508	48%	30	
	0.75 to < 1.75 %	6,890	1,455	44%	7,547	1%	10,000 to 20,000	26%	3	3,565	47%	22	
	1.75 to < 2.5 %	1,606	239	60%	1,756	2%	1,000 to 10,000	22%	3	895	51%	8	
	2.50 to < 10.0 %	8,950	2,162	48%	10,007	4%	20,000 to 30,000	30%	3	7,290	73%	129	
	2.5 to < 5 %	6,594	1,868	48%	7,495	3%	10,000 to 20,000	31%	3	5,254	70%	78	
	5 to < 10 %	2,356	391	39%	2,512	7%	1,000 to 10,000	29%	3	1,957	78%	50	
	10.0 to < 100 %	1,049	135	45%	1,112	17%	1,000 to 10,000	27%	3	1,134	102%	52	
	10 to < 20 %	724	106	45%	774	14%	1,000 to 10,000	26%	3	760	98%	28	
	20 to < 30 %	291	35	37%	304	23%	100 to 1,000	32%	3	354	116%	22	
	30 to < 100 %	33	1	83%	34	41%	0 to 100	12%	4	16	46%	2	
	100% (default)	2,219	221	31%	2,289	100%	1,000 to 10,000	57%	3	917	40%	1357	
SUB-TOTAL		**32,850**	**9,280**	**49%**	**37,470**	**8%**		**28%**	**3**	**18,608**	**50%**	**1580**	**(1,596)**
Corporates - Other	0.00 to < 0.15 %	57,480	147,922	46%	125,687	0%	30,000 to 40,000	36%	2	44,125	35%	299	
	0.00 to < 0.10 %	33,430	104,145	50%	85,520	0%	1,000 to 10,000	36%	2	19,165	22%	17	
	0.10 to < 0.15 %	24,048	33,998	47%	40,168	0%	1,000 to 10,000	36%	2	14,659	36%	17	
	0.15 to < 0.25 %	41,988	36,871	44%	58,466	0%	1,000 to 10,000	37%	2	21,778	37%	37	
	0.25 to < 0.50 %	30,588	32,938	44%	45,261	0%	10,000 to 20,000	37%	2	24,882	55%	59	
	0.50 to < 0.75 %	11,500	14,526	31%	16,088	1%	10,000 to 20,000	29%	2	10,043	62%	32	
	0.75 to < 2.50 %	28,061	14,651	49%	35,485	1%	20,000 to 30,000	31%	2	25,251	71%	146	
	0.75 to < 1.75 %	22,052	13,871	42%	28,089	1%	20,000 to 30,000	31%	2	19,365	69%	101	
	1.75 to < 2.5 %	6,009	2,710	49%	7,395	2%	1,000 to 10,000	29%	2	5,965	81%	45	
	2.50 to < 10.0 %	26,241	27,524	42%	38,041	5%	20,000 to 30,000	32%	3	36,755	97%	551	
	2.5 to < 5 %	16,013	20,483	40%	24,354	3%	10,000 to 20,000	33%	3	19,973	82%	266	
	5 to < 10 %	10,228	7,725	44%	13,688	7%	10,000 to 20,000	30%	3	25,838	189%	203	
	10.0 to < 100 %	4,365	4,125	48%	6,342	15%	1,000 to 10,000	29%	2	9,012	142%	275	
	10 to < 20 %	3,662	3,927	48%	5,551	14%	1,000 to 10,000	28%	2	7,631	137%	215	
	20 to < 30 %	638	247	34%	724	23%	100 to 1,000	33%	3	1,254	173%	54	
	30 to < 100 %	65	8	29%	67	43%	100 to 1,000	15%	2	52	77%	4	
	100% (default)	6,748	1,337	46%	7,370	100%	1,000 to 10,000	50%	2	2,200	30%	3876	
SUB-TOTAL		**206,969**	**272,786**	**46%**	**332,740**	**3%**		**35%**	**2**	**172,804**	**52%**	**4926**	**(5,178)**
TOTAL		**296,616**	**310,611**		**441,573**					**216,248**	**49%**	**7,545**	**(7,846)**

(*) Addon included (**) The expected losses and provisions are not directly comparable data: the expected one-year losses are statistical estimates through the cycle (TTC) whilst the provisions for credit risk are calculated according to the IFRS 9 standard as explained in note 1.e.5 to the financial statements.

Update of the 2020 Universal registration document, table 37 page 373.

► TABLE N° 37 : – IRB APPROACH – CREDIT RISK EXPOSURES BY EXPOSURE CLASS AND PD RANGE – RETAIL SECURED BY IMMOVABLE (EU CR6)

		30 June 2021										
In millions of euros	PD scale	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Average off balance-sheet CCF	EAD	Average PD (%)	Average LGD (%)	Average maturity	RWA(*)	Weight average	Expected loss amount (**)	Value adjust-ments and provisions (**)
Retail - Secured by residential immovable	0.00 to < 0.15 %	66,334	2,981	100%	69,315	0%	10%	5	8,760	13%	74	
	0.00 to < 0.10 %	*59,141*	*2,622*	*100%*	*61,763*	*0%*	*9%*	*5*	*1,318*	*2%*	*5*	
	0.10 to < 0.15 %	*7,193*	*359*	*100%*	*7,552*	*0%*	*12%*	*5*	*295*	*4%*	*1*	
	0.15 to < 0.25 %	15,685	743	104%	16,460	0%	17%	5	1,348	8%	5	
	0.25 to < 0.50 %	44,664	1,508	100%	46,171	0%	13%	5	4,551	10%	22	
	0.50 to < 0.75 %	16,819	778	100%	17,600	1%	13%	5	5,099	29%	14	
	0.75 to < 2.50 %	16,941	763	100%	17,703	1%	13%	5	4,039	23%	33	
	0.75 to < 1.75 %	*13,373*	*596*	*100%*	*13,968*	*1%*	*14%*	*5*	*3,600*	*26%*	*23*	
	1.75 to < 2.5 %	*3,568*	*167*	*100%*	*3,735*	*2%*	*13%*	*5*	*1,106*	*30%*	*10*	
	2.50 to < 10.0 %	6,727	689	100%	7,418	5%	14%	5	3,640	49%	50	
	2.5 to < 5 %	*4,179*	*641*	*100%*	*4,822*	*4%*	*14%*	*5*	*2,050*	*43%*	*24*	
	5 to < 10 %	*2,548*	*48*	*100%*	*2,596*	*7%*	*15%*	*5*	*3,984*	*153%*	*58*	
	10.0 to < 100 %	1,596	31	100%	1,628	24%	14%	5	1,335	82%	59	
	10 to < 20 %	*844*	*17*	*100%*	*862*	*14%*	*14%*	*5*	*793*	*92%*	*17*	
	20 to < 30 %	*398*	*6*	*100%*	*404*	*25%*	*14%*	*5*	*448*	*111%*	*14*	
	30 to < 100 %	*353*	*8*	*100%*	*362*	*48%*	*15%*	*5*	*293*	*81%*	*28*	
	100% (default)	2,871	5	98%	2,875	100%	36%	3	1,219	42%	918	
SUB-TOTAL		**171,637**	**7,497**	**100%**	**179,172**	**2%**	**12%**	**5**	**26,105**	**15%**	**1,140**	**(1,140)**
Retail - Secured by commercial residential	0.00 to < 0.15 %	192	332	2%	203	0%	26%	4	132	65%	3	
	0.00 to < 0.10 %	*103*	*5*	*63%*	*108*	*0%*	*28%*	*4*	*4*	*4%*	*0*	
	0.10 to < 0.15 %	*90*	*7*	*51%*	*95*	*0%*	*22%*	*4*	*5*	*5%*	*0*	
	0.15 to < 0.25 %	360	32	68%	392	0%	20%	4	26	7%	0	
	0.25 to < 0.50 %	3,409	139	68%	3,529	0%	27%	5	500	14%	4	
	0.50 to < 0.75 %	837	248	16%	890	1%	17%	4	106	12%	1	
	0.75 to < 2.50 %	2,863	238	52%	3,023	1%	16%	4	625	21%	7	
	0.75 to < 1.75 %	*2,115*	*249*	*36%*	*2,234*	*1%*	*16%*	*4*	*413*	*19%*	*4*	
	1.75 to < 2.5 %	*748*	*70*	*49%*	*789*	*2%*	*16%*	*4*	*211*	*27%*	*3*	
	2.50 to < 10.0 %	2,162	167	50%	2,260	5%	19%	4	1,105	49%	21	
	2.5 to < 5 %	*1,232*	*104*	*51%*	*1,293*	*4%*	*20%*	*4*	*567*	*44%*	*9*	
	5 to < 10 %	*930*	*111*	*28%*	*967*	*7%*	*18%*	*4*	*533*	*55%*	*12*	
	10.0 to < 100 %	419	26	53%	435	18%	19%	4	357	82%	16	
	10 to < 20 %	*296*	*27*	*42%*	*309*	*14%*	*18%*	*4*	*232*	*75%*	*8*	
	20 to < 30 %	*93*	*5*	*41%*	*96*	*25%*	*22%*	*4*	*100*	*105%*	*5*	
	30 to < 100 %	*30*	*2*	*46%*	*31*	*40%*	*17%*	*4*	*23*	*74%*	*2*	
	100% (default)	431	7	41%	435	100%	42%	3	221	51%	157	
SUB-TOTAL		**10,672**	**1,005**	**39%**	**11,168**	**6%**	**21%**	**4**	**2,942**	**26%**	**206**	**(181)**
TOTAL		**182,309**	**8,502**		**190,339**				**29,046**	**15%**	**1,346**	**(1,321)**

(*) Add-on included.

(**) The expected losses and provisions are not directly comparable data: the expected one-year losses are statistical estimates through the cycle (TTC) whilst the provisions for credit risk are calculated according to the IFRS 9 standard as explained in note 1.e.5 to the financial statements.

► TABLE 37 : – IRB APPROACH – CREDIT RISK EXPOSURES BY EXPOSURE CLASS AND PD RANGE – OTHER RETAIL (EU CR6)

In millions of euros	PD scale	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Average off balance-sheet CCF	EAD	Average PD (%)	Average LGD (%)	Average maturity	RWA(*)	Weight average	Expected loss amount(**)	Value adjust-ments and provisions(**)
												30 June 2021
Retail - Qualifying revolving	0.00 to < 0.15 %	101	6,828	87%	6,227	0%	67%	1	265	4%	248	
	0.00 to < 0.10 %	*53*	*3,301*	*103%*	*3,658*	*0%*	*71%*	*1*	*80*	*2%*	*2*	
	0.10 to < 0.15 %	*48*	*3,512*	*71%*	*2,569*	*0%*	*61%*	*1*	*28*	*1%*	*2*	
	0.15 to < 0.25 %	12	263	85%	257	0%	78%	1	16	6%	0	
	0.25 to < 0.50 %	110	1,513	53%	1,003	0%	67%	1	105	10%	2	
	0.50 to < 0.75 %	135	411	51%	375	1%	70%	1	121	32%	2	
	0.75 to < 2.50 %	672	1,744	42%	1,438	1%	60%	1	566	39%	11	
	0.75 to < 1.75 %	*481*	*1,588*	*41%*	*1,167*	*1%*	*61%*	*1*	*404*	*35%*	*7*	
	1.75 to < 2.5 %	*191*	*158*	*47%*	*271*	*2%*	*58%*	*1*	*161*	*60%*	*3*	
	2.50 to < 10.0 %	1,495	797	87%	2,211	5%	54%	1	1,228	56%	59	
	2.5 to < 5 %	*843*	*602*	*86%*	*1,370*	*4%*	*54%*	*1*	*668*	*49%*	*26*	
	5 to < 10 %	*653*	*197*	*92%*	*841*	*7%*	*55%*	*1*	*560*	*67%*	*33*	
	10.0 to < 100 %	857	260	79%	1,073	21%	54%	1	665	62%	122	
	10 to < 20 %	*666*	*204*	*84%*	*839*	*14%*	*53%*	*1*	*468*	*56%*	*61*	
	20 to < 30 %	*22*	*8*	*108%*	*33*	*25%*	*64%*	*1*	*46*	*142%*	*5*	
	30 to < 100 %	*170*	*49*	*54%*	*202*	*49%*	*56%*	*2*	*150*	*74%*	*55*	
	100% (default)	706	42	90%	758	100%	76%	1	299	39%	524	
SUB-TOTAL		**4,089**	**11,848**	**74%**	**13,342**	**8%**	**63%**	**1**	**3,107**	**23%**	**724**	**(724)**
Retail – Other SME	0.00 to < 0.15 %	2,662	1,519	34%	3,228	0%	30%	2	789	24%	601	
	0.00 to < 0.10 %	*1,933*	*337*	*77%*	*2,226*	*0%*	*30%*	*2*	*101*	*5%*	*0*	
	0.10 to < 0.15 %	*728*	*313*	*84%*	*1,003*	*0%*	*31%*	*2*	*82*	*8%*	*0*	
	0.15 to < 0.25 %	2,191	765	49%	2,628	0%	26%	3	228	9%	1	
	0.25 to < 0.50 %	6,304	1,371	89%	7,618	0%	30%	3	1,132	15%	8	
	0.50 to < 0.75 %	2,399	1,116	46%	2,952	1%	30%	3	607	21%	5	
	0.75 to < 2.50 %	5,995	1,545	51%	9,303	1%	25%	3	4,508	48%	30	
	0.75 to < 1.75 %	*4,426*	*1,348*	*75%*	*5,510*	*1%*	*29%*	*3*	*1,464*	*27%*	*20*	
	1.75 to < 2.5 %	*1,569*	*317*	*85%*	*1,863*	*2%*	*27%*	*3*	*534*	*29%*	*11*	
	2.50 to < 10.0 %	5,081	2,162	48%	10,007	4%	30%	3	7,290	73%	129	
	2.5 to < 5 %	*3,529*	*598*	*83%*	*4,077*	*4%*	*28%*	*3*	*1,355*	*33%*	*41*	
	5 to < 10 %	*1,552*	*355*	*63%*	*1,803*	*7%*	*31%*	*3*	*666*	*37%*	*42*	
	10.0 to < 100 %	712	135	45%	1,112	17%	27%	3	1,134	102%	52	
	10 to < 20 %	*468*	*55*	*75%*	*523*	*14%*	*32%*	*3*	*266*	*51%*	*24*	
	20 to < 30 %	*178*	*20*	*89%*	*200*	*27%*	*32%*	*3*	*128*	*64%*	*18*	
	30 to < 100 %	*66*	*5*	*92%*	*74*	*51%*	*34%*	*2*	*49*	*66%*	*13*	
	100% (default)	2,256	100	86%	2,375	100%	58%	1	1,279	54%	1341	
SUB-TOTAL		**27,599**	**6,700**	**71%**	**32,851**	**9%**	**29%**	**3**	**7,892**	**24%**	**1,525**	**(1,563)**
Retail – Other non-SME	0.00 to < 0.15 %	6,723	2,131	82%	8,521	0%	40%	3	1,303	15%	496	
	0.00 to < 0.10 %	*5,535*	*1,657*	*86%*	*7,008*	*0%*	*40%*	*3*	*654*	*9%*	*2*	
	0.10 to < 0.15 %	*1,189*	*400*	*80%*	*1,513*	*0%*	*38%*	*3*	*180*	*12%*	*1*	
	0.15 to < 0.25 %	2,105	959	101%	3,094	0%	39%	3	559	18%	2	
	0.25 to < 0.50 %	7,190	1,286	95%	8,492	0%	39%	3	2,567	30%	12	
	0.50 to < 0.75 %	4,826	561	83%	5,335	1%	37%	3	2,740	51%	12	
	0.75 to < 2.50 %	10,711	1,533	95%	12,271	1%	38%	2	7,295	59%	63	
	0.75 to < 1.75 %	*8,271*	*1,203*	*96%*	*9,501*	*1%*	*38%*	*2*	*5,485*	*58%*	*42*	
	1.75 to < 2.5 %	*2,440*	*335*	*92%*	*2,769*	*2%*	*36%*	*2*	*1,815*	*66%*	*21*	
	2.50 to < 10.0 %	5,771	326	107%	6,206	5%	37%	2	4,352	70%	112	
	2.5 to < 5 %	*3,806*	*221*	*111%*	*4,102*	*4%*	*37%*	*2*	*2,809*	*68%*	*54*	
	5 to < 10 %	*1,965*	*107*	*96%*	*2,104*	*7%*	*39%*	*2*	*1,541*	*73%*	*58*	
	10.0 to < 100 %	2,265	29	89%	2,311	25%	36%	2	1,710	74%	213	
	10 to < 20 %	*1,495*	*22*	*83%*	*1,526*	*16%*	*35%*	*2*	*1,100*	*72%*	*83*	
	20 to < 30 %	*215*	*4*	*86%*	*221*	*25%*	*38%*	*3*	*179*	*81%*	*21*	
	30 to < 100 %	*554*	*5*	*95%*	*564*	*49%*	*39%*	*2*	*428*	*76%*	*108*	
	100% (default)	2,222	27	90%	2,248	100%	73%	2	1,035	46%	1571	
SUB-TOTAL		**41,813**	**6,785**	**92%**	**48,477**	**7%**	**38%**	**2**	**21,092**	**44%**	**1,988**	**(2,044)**
TOTAL		**73,502**	**25,333**		**94,670**				**32,091**	**34%**	**4,237**	**(4,331)**

(*) Add-on included.
(**) The expected losses and provisions are not directly comparable data: the expected one-year losses are statistical estimates through the cycle (TTC) whilst the provisions for credit risk are calculated according to the IFRS 9 standard as explained in note 1.e.5 to the financial statements.

► TABLE 35: IRBA EXPOSURE BY PD SCALE AND ASSET CLASS - SOVEREIGN, FINANCIAL INSTITUTION, CORPORATE AND SPECIALISED FINANCING PORTFOLIOS (EU CR6)

		31 December 2020												
In millions of euros	PD range	Balance sheet exposure	Off-balance sheet exposure	Total exposure	Average off-balance sheet CCF	EAD	Average PD	Number of obligors	Average LGD	Average residual maturity	RWAs(*)	Average RWA	Expected Loss(**)	Provisions (**)
Central governments and central banks	0.00 to < 0.15%	420,686	1,389	422,075	53%	422,021	0.01%	100 to 1,000	1%	2	1,861	0%	2	
	0.15 to < 0.25%	1,230	10	1,240	35%	1,234	0.19%	0 to 100	13%	3	164	13%	0	
	0.25 to < 0.50%	1,822	251	2,073	55%	1,960	0.29%	0 to 100	23%	2	513	26%	1	
	0.50 to < 0.75%	1,223	665	1,888	55%	1,589	0.69%	0 to 100	15%	2	434	27%	2	
	0.75 to < 2.50%	449	11	460	31%	452	1.33%	0 to 100	23%	2	202	45%	1	
	2.50 to < 10.0%	333	182	515	55%	433	4.48%	0 to 100	2%	3	37	8%	0	
	10.0 to < 100%	497	279	776	55%	650	14.53%	0 to 100	10%	3	349	54%	13	
	100% (defaults)	52	4	56	55%	54	100.00%	0 to 100		2	0	0%	9	
SUB-TOTAL		**426,292**	**2,791**	**429,083**	**54%**	**428,393**	**0.06%**		**2%**	**2**	**3,559**	**1%**	**29**	**(26)**
Institutions	0.00 to < 0.15%	25,194	17,831	43,025	48%	33,837	0.05%	1,000 to 10,000	18%	3	3,841	11%	4	
	0.15 to < 0.25%	1,406	1,719	3,125	51%	2,276	0.18%	100 to 1,000	37%	2	1,016	45%	2	
	0.25 to < 0.50%	1,904	862	2,766	45%	2,301	0.34%	100 to 1,000	26%	2	856	37%	2	
	0.50 to < 0.75%	653	352	1,005	35%	780	0.66%	100 to 1,000	14%	3	250	32%	1	
	0.75 to < 2.50%	1,483	558	2,041	46%	1,746	1.26%	100 to 1,000	31%	2	877	50%	7	
	2.50 to < 10.0%	366	1,020	1,386	38%	753	3.81%	100 to 1,000	31%	3	4,021	534%	8	
	10.0 to < 100%	20	89	109	60%	74	21.06%	0 to 100	39%	1	157	212%	6	
	100% (defaults)	284	0	284	27%	284	100.00%	0 to 100		3	14	5%	246	
SUB-TOTAL		**31,309**	**22,431**	**53,740**	**48%**	**42,050**	**0.91%**		**20%**	**2**	**11,032**	**26%**	**275**	**(311)**
Corporates	0.00 to < 0.15%	63,418	147,440	210,858	49%	136,423	0.07%	10,000 to 20,000	36%	2	28,633	21%	37	
	0.15 to < 0.25%	48,526	39,658	88,184	43%	65,741	0.17%	10,000 to 20,000	36%	2	22,015	33%	41	
	0.25 to < 0.50%	51,247	38,002	89,249	46%	69,180	0.35%	30,000 to 40,000	31%	3	29,063	42%	73	
	0.50 to < 0.75%	21,763	22,531	44,294	36%	30,013	0.68%	20,000 to 30,000	25%	3	14,104	47%	51	
	0.75 to < 2.50%	49,919	25,892	75,811	43%	61,446	1.36%	50,000 to 60,000	25%	3	36,594	60%	209	
	2.50 to < 10.0%	38,470	32,796	71,266	42%	52,389	4.45%	40,000 to 50,000	31%	3	56,106	107%	546	
	10.0 to < 100%	6,560	3,522	10,082	50%	8,315	15.66%	1,000 to 10,000	24%	3	10,537	127%	328	
	100% (defaults)	10,721	1,578	12,299	39%	11,351	100.00%	1,000 to 10,000		2	4,035	36%	6,034	
SUB-TOTAL		**290,624**	**311,419**	**602,043**	**46%**	**434,858**	**3.79%**		**32%**	**3**	**201,088**	**46%**	**7,320**	**(7,447)**
TOTAL		**748,225**	**336,642**	**1,084,867**	**46%**	**905,300**	**1.89%**		**17%**	**2**	**215,088**	**24%**	**7,624**	**(7,784)**

(*) Add-on included.

(**) The expected losses and provisions are not directly comparable data: the expected one-year losses are statistical estimates through the cycle (TTC) whilst the provisions for credit risk are calculated according to the IFRS 9 standard as explained in note 1.e.5 to the financial statements.

► TABLE 37: IRBA EXPOSURE BY INTERNAL RATING AND ASSET CLASS - RETAIL PORTFOLIO (EU CR6)

		30 June 2021											
In millions of euros	PD scale	Balance sheet exposure	Off-balance sheet exposure	Total exposure	Average off-balance sheet CCF	EAD	Average PD	Average LGD	Average residual maturity	RWAs(*)	Average RWA	Expected Loss(**)	Provisions (**)
Mortgages	0.00 to < 0.15%	63,005	2,664	65,669	100%	65,668	0.09%	10%	5	1,532	2%	6	
	0.15 to < 0.25%	25,261	1,102	26,363	101%	26,388	0.21%	14%	5	1,827	7%	7	
	0.25 to < 0.50%	46,548	1,352	47,900	98%	47,893	0.38%	14%	5	4,953	10%	26	
	0.50 to < 0.75%	8,953	642	9,595	70%	9,421	0.62%	17%	5	4,936	52%	10	
	0.75 to < 2.50%	19,283	945	20,228	79%	20,060	1.39%	14%	5	5,382	27%	40	
	2.50 to < 10.0%	8,480	630	9,110	83%	9,014	4.83%	15%	5	6,738	75%	100	
	10.0 to < 100%	2,050	54	2,104	67%	2,089	24.19%	15%	5	1,924	92%	81	
	100% (defaults)	3,517	13	3,530	69%	3,527	100.00%		3	1,723	49%	1,099	
SUB-TOTAL		**177,097**	**7,402**	**184,499**	**93%**	**184,060**	**2.77%**	**13%**	**5**	**29,014**	**16%**	**1,367**	**(1,310)**
Revolving exposures	0.00 to < 0.15%	112	5,719	5,831	78%	4,782	0.08%	68%	1	109	2%	3	
	0.15 to < 0.25%	27	1,093	1,120	131%	1,513	0.17%	68%	1	42	3%	2	
	0.25 to < 0.50%	117	1,782	1,899	60%	1,230	0.34%	66%	1	106	9%	3	
	0.50 to < 0.75%	122	503	625	52%	396	0.59%	65%	1	124	31%	2	
	0.75 to < 2.50%	777	1,872	2,649	42%	1,606	1.20%	60%	1	633	39%	12	
	2.50 to < 10.0%	1,600	1,017	2,617	68%	2,306	5.05%	53%	1	1,320	57%	62	
	10.0 to < 100%	860	237	1,097	78%	1,054	21.27%	53%	1	678	64%	122	
	100% (defaults)	816	52	868	65%	874	100.00%		1	320	37%	623	
SUB-TOTAL		**4,432**	**12,275**	**16,707**	**73%**	**13,761**	**9.06%**	**63%**	**1**	**3,332**	**24%**	**828**	**(812)**
Other exposures	0.00 to < 0.15%	8,692	2,362	11,054	82%	10,873	0.08%	37%	3	939	9%	3	
	0.15 to < 0.25%	4,893	1,306	6,199	97%	6,246	0.20%	34%	3	916	15%	4	
	0.25 to < 0.50%	13,454	2,600	16,054	89%	15,979	0.37%	35%	3	3,828	24%	21	
	0.50 to < 0.75%	7,013	1,691	8,704	59%	8,092	0.60%	33%	3	3,382	42%	16	
	0.75 to < 2.50%	17,329	3,376	20,705	87%	20,499	1.39%	35%	2	9,945	49%	98	
	2.50 to < 10.0%	11,048	1,347	12,395	85%	12,324	4.79%	34%	2	6,558	53%	201	
	10.0 to < 100%	3,141	146	3,287	87%	3,306	24.42%	35%	2	2,295	69%	292	
	100% (defaults)	4,621	131	4,752	90%	4,784	100.00%		1	2,030	42%	3,020	
SUB-TOTAL		**70,191**	**12,959**	**83,150**	**84%**	**82,102**	**8.03%**	**35%**	**3**	**29,894**	**36%**	**3,656**	**(3,706)**
TOTAL		**251,721**	**32,636**	**284,357**	**82%**	**279,923**	**4.62%**	**21%**	**4**	**62,240**	**22%**	**5,851**	**(5,829)**

(*) Add-on included.

(**) The expected losses and provisions are not directly comparable data: the expected one-year losses are statistical estimates through the cycle (TTC) whilst the provisions for credit risk are calculated according to the IFRS 9 standard as explained in note 1.e.5 to the financial statements.

Update of the 2020 Universal registration document, table 31 page 362.

► TABLE 31: CREDIT RISK-WEIGHTED ASSETS QUARTER MOVEMENTS BY KEY DRIVER (EU CR8)

2nd quarter 2021

	RWAs		Capital Requirements	
In millions of euros	Total	*of which IRB approach*	Total	*of which IRB approach*
31 March 2021	**531,174**	**281,618**	**42,494**	**22,529**
Asset size	5,047	1,200	404	96
Asset quality	239	549	19	44
Model update	10,848	10,808	868	865
Methodology and policy	(520)	66	(42)	5
Acquisitons and disposals	(125)	0	(10)	0
Currency	(944)	(440)	(76)	(35)
Others	(47)	(923)	(4)	(73)
30 June 2021	**545,672**	**292,877**	**43,654**	**23,430**

1st semester 2021

	RWAs		Capital Requirements	
In millions of euros	Total	*of which IRB approach*	Total	*of which IRB approach*
31 December 2020	**527,189**	**278,202**	**42,175**	**22,256**
Asset size	7,743	1,948	(783)	619
Asset quality	(3,226)	(202)	0	(258)
Model update	12,131	12,090	-	970
Methodology and policy	(209)	79	(1,902)	(17)
Acquisitons and disposals	(1,083)	16	-	(87)
Currency	3,415	2,095	-	273
Others	(287)	(1,351)	4,164	(327)
30 June 2021	**545,672**	**292,877**	**43,654**	**23,430**

Credit risk standard approach

Update of the 2020 Universal registration document, table 39 page 376.

► TABLE 39: STANDARDISED CREDIT RISK EXPOSURE BY STANDARD EXPOSURE CLASS (EU CR4)

	30 June 2021							
	Gross exposure		Exposure net of provisions		EAD			
In millions of euros	Balance sheet	Off-balance sheet	Balance sheet	Off-balance sheet	Balance sheet	Off-balance sheet	RWAs	RWA density
Central governments or central banks	38,954	26	38,914	26	45,010	9	6,310	14%
Regional government or local authorities	3,273	2,745	3,269	2,745	2,659	656	677	20%
Public sector entities	15,555	2,162	15,549	2,162	16,150	530	2,210	13%
Multilateral development banks	212	5	212	5	212	2	0	0%
International organisations	99	25	99	25	99	25	-	0%
Institutions	13,587	1,378	13,581	1,376	13,376	558	4,620	33%
Corporates	82,762	35,629	82,225	35,531	71,899	12,632	67,419	80%
Retail	95,262	30,094	93,624	30,041	89,472	2,783	63,124	68%
Secured by mortgages on immovable property	52,646	6,276	51,875	6,245	48,553	1,497	21,993	44%
Exposures in default	11,459	382	5,373	350	5,461	153	6,271	112%
Exposures associated with particularly high risk (*)	807	593	792	591	771	292	1,583	149%
Collective investment undertakings	1	-	1	-	1	-	1	100%
Equity	1,659	2,233	1,659	2,233	1,659	886	7,695	302%
Other items	28,391	876	28,391	876	28,391	1,141	21,878	74%
TOTAL	**344,666**	**82,424**	**335,563**	**82,206**	**323,711**	**21,164**	**203,780**	**59%**

(*) Exposures in the property development sector for which risk profile may be influenced by market conditions.

In millions of euros	31 December 2020							
	Gross exposure		Exposure net of provisions		EAD			
	Balance sheet	Off-balance sheet	Balance sheet	Off-balance sheet	Balance sheet	Off-balance sheet	RWAs	RWA density
Central governments or central banks	32,638	20	32,594	20	36,972	5	6,454	17%
Regional government or local authorities	2,881	3,166	2,876	3,166	2,822	739	746	21%
Public sector entities	15,678	2,263	15,674	2,263	16,218	588	2,256	13%
Multilateral development banks	192	-	192	-	192	-	-	0%
International organisations	7	-	7	-	7	-	-	0%
Institutions	11,851	1,085	11,842	1,081	13,287	636	4,659	33%
Corporates	81,398	36,004	80,895	35,891	71,272	12,356	67,899	81%
Retail	92,584	30,075	90,772	30,006	87,783	2,835	61,915	68%
Secured by mortgages on immovable property	56,454	6,254	55,694	6,212	51,116	1,492	22,976	44%
Exposures in default	10,347	478	4,615	445	4,483	148	5,112	110%
Exposures associated with particularly high risk (*)	516	556	507	553	451	267	1,068	149%
Collective investment undertakings	-	464	-	464	-	171	61	36%
Equity	-	648	-	648	-	130	130	100%
Other items	26,891	1,119	26,891	1,119	26,891	862	20,629	74%
TOTAL	**331,436**	**82,130**	**322,559**	**81,866**	**311,494**	**20,230**	**193,906**	**58%**

(*) Exposures in the property development sector for which risk profile may be influenced by market conditions.

Update of the 2020 Universal registration document, table 40 page 378.

Since 30 June 2021, exposures in the form of units or shares of collective investment undertakings (CIU) have been treated in accordance with the provisions of Articles 132 to 132 quarter (transparency approach).

The underlying exposures of these OPC shares are treated according to the standard approach and presented in tables CR4 and CR5, mainly in the line “Equity Exposures”.

As at 30 June 2021, these exposures amounted to EUR 3,527 millions of euros.

► TABLE 40 : STANDARDISED CREDIT EXPOSURE AT DEFAULT (EU CR5)

Risk weight *In millions of euros*	30 June 2021											
	EAD											
	0 %	20 %	35 %	50 %	75 %	100 %	150 %	370%	1250%	Other	Total	of which unrated(*)
Central governments or central banks	38,428	231	-	190	-	6,168	1	-	-	-	**45,018**	17,800
Regional government or local authorities	384	2,817	0	0	-	114	-	-	-	-	**3,315**	1,095
Public sector entities	10,256	5,148	-	190	-	1,085	-	-	-	-	**16,679**	10,299
Multilateral development banks	214	0	-	-	-	-	-	-	-	-	**214**	-
International organisations	124	-	-	-	-	-	-	-	-	-	**124**	36
Institutions	1,132	8,934	-	2,272	-	1,481	16	-	-	98	**13,933**	487
Corporates	1,756	10,097	3,894	7,333	-	60,479	941	-	-	30	**84,531**	55,805
Retail	-	-	4,279	0	87,977	-	-	-	-	-	**92,256**	92,256
Secured by mortgages on immovable property	-	0	27,242	17,561	2,788	2,434	25	-	-	-	**50,050**	34,235
Exposures in default	-	-	-	-	-	4,301	1,313	-	-	-	**5,614**	5,552
Exposures associated with particularly high risk(**)	-	-	-	-	-	-	1,064	-	-	-	**1,064**	-
Covered bonds	-	-	-	0	-	-	-	-	-	-	**0**	-
Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	**-**	-
Unit or shares in collective investment undertakings	-	-	-	-	-	1	-	-	-	-	**1**	1
Equity	-	-	-	-	-	-	-	57	222	2,265	**2,545**	2,545
Other items	3,334	78	-	1,661	-	16,287	-	-	-	8,172	**29,531**	25,721
TOTAL	**55,628**	**27,306**	**35,416**	**29,208**	**90,765**	**92,350**	**3,360**	**57**	**222**	**10,564**	**344,876**	**245,832**

(*) Exposures to counterparties without a credit rating from external rating agencies.
(**) Exposures in the property development sector for which risk profile may be influenced by market conditions.

												31 December 2020
												EAD
Risk weight *In millions of euros*	0 %	20 %	35 %	50 %	75 %	100 %	150 %	370%	1250%	Other	Total	of which unrated (*)
Central governments or central banks	30,306	121	-	242	-	6,307	1			-	**36,977**	12,424
Regional government or local authorities	351	3,081	-	-	-	130	-			-	**3,562**	1,119
Public sector entities	10,958	3,994	-	793	-	1,061	-			-	**16,806**	11,111
Multilateral development banks	192	-	-	-	-	-	-			-	**192**	-
International organisations	7	-	-	-	-	-	-			-	**7**	7
Institutions	1,412	7,684	-	3,437	-	1,362	28			-	**13,923**	425
Corporates	2,085	9,451	2,324	7,192	-	61,575	1,001			-	**83,628**	57,228
Retail	-	-	4,179	-	86,440	-	-			-	**90,619**	90,619
Secured by mortgages on immovable property	-	-	29,324	17,416	3,495	2,348	26			-	**52,609**	38,184
Exposures in default	-	-	-	-	-	3,667	964			-	**4,631**	4,575
Exposures associated with particularly high risk(**)	-	-	-	-	-	-	718			-	**718**	-
Unit or shares in collective investment undertakings	50	74	-	-	-	46	-			-	**171**	171
Equity	-	-	-	-	-	130	-			-	**130**	130
Other items	3,517	108	-	98	-	16,181	-			7,848	**27,753**	25,020
TOTAL	**48,879**	**24,513**	**35,827**	**29,178**	**89,935**	**92,806**	**2,738**			**7,848**	**331,724**	**239,014**

(*) Exposures to counterparties without a credit rating from external rating agencies.

(**) Exposures in the property development sector for which risk profile may be influenced by market conditions.

Credit risk: equities under the simple weighting method

Update of the 2020 Universal registration document, table 41 page 378.

► TABLE 41 : EQUITY POSITIONS UNDER THE SIMPLE WEIGHTING METHOD (EU CR10)

						30 June 2021
In millions of euros	On-balance sheet gross exposure	Off-balance sheet gross exposure	Risk weight	Exposure value	Risk weighted exposure amount	Expected loss amount
Private equity exposures	1,080	82	190%	1,121	2,130	9
Exchange-traded equity exposures	1,339	0	290%	1,339	3,884	11
Other equity exposures	11,619	6	370%	11,622	43,000	279
Total	**14,038**	**88**		**14,082**	**49,014**	**299**

						31 December 2020
In millions of euros	On-balance sheet gross exposure	Off-balance sheet gross exposure	Risk weight	Exposure value	Risk weighted exposure amount	Expected loss amount
Private equity exposures	2,037	990	190%	2,532	4,811	20
Exchange-traded equity exposures	1,167	85	290%	1,210	3,508	10
Other equity exposures	12,554	169	370%	12,638	46,762	303
Total	**15,758**	**1,243**		**16,380**	**55,081**	**333**

Exposures, provisions and cost of risk

Update of the 2020 Universal registration document, table 44 page 384.

▶ TABLE 44 : PERFORMING AND NON PERFORMING EXPOSURES AND RELATED PROVISIONS (EU CR1)

														30 June 2021
	Gross carrying amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Collaterals and financial guarantees received	
	Performing exposures			Non-performing exposures			Performing exposures			Non-performing exposures				
In millions of euros		of which: stage 1	of which: stage 2		of which: stage 1 & 2	of which: stage 3		of which: stage 1	of which: stage 2		of which: stage 1 & 2	of which: stage 3	On performing exposures	On non-performing exposures
Cash balances at central banks and other demand deposits	**388,526**	**388,204**	**322**	**9**	**1**	**8**	**(19)**	**(14)**	**(5)**	**(3)**	**-**	**(3)**	**489**	**-**
Loans and advances	**872,479**	**769,525**	**102,954**	**32,430**	**1,336**	**31,094**	**(5,443)**	**(2,301)**	**(3,142)**	**(16,397)**	**(109)**	**(16,288)**	**525,064**	**10,020**
Central banks	13,470	13,468	2	-	-	-	-	-	-	-	-	-	3,832	-
General governments	29,344	27,772	1,572	321	222	99	(19)	(8)	(11)	(32)	(8)	(24)	7,912	236
Credit institutions	11,940	11,714	226	76	-	76	(11)	(9)	(2)	(70)	-	(70)	6,878	5
Other financial corporations	83,002	78,584	4,418	1,126	5	1,121	(150)	(71)	(79)	(784)	-	(784)	20,910	325
Non-financial corporations	407,080	343,217	63,863	16,811	577	16,234	(2,569)	(889)	(1,680)	(8,497)	(8)	(8,489)	244,105	5,232
Of which: SMEs	*126,680*	*106,292*	*20,388*	*6,572*	*120*	*6,452*	*(949)*	*(368)*	*(581)*	*(3,296)*	*(6)*	*(3,290)*	*87,377*	*2,080*
Households	327,643	294,770	32,873	14,096	532	13,564	(2,694)	(1,324)	(1,370)	(7,014)	(93)	(6,921)	241,427	4,222
Debt Securities	**169,218**	**168,273**	**945**	**504**	**-**	**504**	**(90)**	**(29)**	**(61)**	**(266)**	**-**	**(266)**	**9,214**	**47**
Central banks	5,230	5,163	67	1	-	1	(4)	-	(4)	(1)	-	(1)	-	-
General governments	126,995	126,700	295	7	-	7	(31)	(27)	(4)	-	-	-	8,361	-
Credit institutions	15,883	15,883	-	101	-	101	-	-	-	(101)	-	(101)	853	-
Other financial corporations	17,439	16,992	447	141	-	141	(49)	(1)	(48)	(33)	-	(33)	-	-
Non-financial corporations	3,671	3,535	136	254	-	254	(6)	(1)	(5)	(131)	-	(131)	-	47
Off-balance sheet exposures	**516,661**	**483,834**	**32,827**	**2,326**	**2**	**2,324**	**(711)**	**(322)**	**(389)**	**(348)**	**-**	**(348)**	**105,217**	**425**
Central banks	41,249	41,164	85	-	-	-	-	-	-	-	-	-	37,660	-
General governments	13,203	12,264	939	7	-	7	(4)	(3)	(1)	-	-	-	3,501	-
Credit institutions	17,819	17,112	707	-	-	-	(14)	(6)	(8)	-	-	-	3,745	-
Other financial corporations	72,384	70,081	2,303	65	-	65	(41)	(25)	(16)	(15)	-	(15)	15,590	14
Non-financial corporations	313,937	286,889	27,048	2,053	2	2,051	(543)	(218)	(325)	(325)	-	(325)	41,134	405
Households	58,069	56,324	1,745	201	-	201	(109)	(70)	(39)	(8)	-	(8)	3,587	6
TOTAL	**1,946,884**	**1,809,836**	**137,048**	**35,269**	**1,339**	**33,930**	**(6,263)**	**(2,666)**	**(3,597)**	**(17,014)**	**(109)**	**(16,905)**	**639,984**	**10,492**

	31 December 2020													
	Gross carrying amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Collaterals and financial guarantees received	
	Performing exposures			Non-performing exposures			Performing exposures			Non-performing exposures				
In millions of euros		of which: stage 1	of which: stage 2		of which: stage 1 & 2	of which: stage 3		of which: stage 1	of which: stage 2		of which: stage 1 & 2	of which: stage 3	On performing exposures	On non-performing exposures
Cash balances at central banks and other demand deposits	**312,991**	**312,266**	**725**	**6**	**-**	**6**	**(26)**	**(19)**	**(7)**	**(4)**	**-**	**(4)**		
Loans and advances	**841,600**	**750,510**	**91,090**	**33,486**	**3,001**	**30,485**	**(5,139)**	**(2,350)**	**(2,789)**	**(16,465)**	**(374)**	**(16,091)**		
Central banks	2,975	2,911	64	-	-	-	-	-	-	-	-	-		
General governments	27,951	26,413	1,538	525	408	117	(20)	(7)	(13)	(37)	(10)	(27)		
Credit institutions	8,840	8,618	222	77	2	75	(18)	(13)	(5)	(69)	-	(69)		
Other financial	76,278	70,786	5,492	1,478	4	1,474	(160)	(75)	(85)	(885)	-	(885)		
Non-financial	402,193	350,376	51,817	17,060	642	16,418	(2,336)	(991)	(1,345)	(8,598)	(31)	(8,567)		
Of which: SMEs	*120,194*	*102,546*	*17,648*	*6,841*	*237*	*6,604*	*(851)*	*(346)*	*(505)*	*(3,163)*	*(24)*	*(3,139)*		
Households	323,363	291,406	31,957	14,346	1,945	12,401	(2,605)	(1,264)	(1,341)	(6,876)	(333)	(6,543)		
Debt Securities	**179,970**	**178,923**	**1,047**	**528**	**-**	**528**	**(82)**	**(28)**	**(54)**	**(267)**	**-**	**(267)**		
Central banks	4,404	4,337	67	1	-	1	(4)	-	(4)	(1)	-	(1)		
General governments	137,331	136,920	411	8	-	8	(31)	(26)	(5)	-	-	-		
Credit institutions	15,975	15,975	-	101	-	101	-	-	-	(101)	-	(101)		
Other financial	18,506	17,984	522	167	-	167	(40)	(1)	(39)	(41)	-	(41)		
Non-financial	3,754	3,707	47	251	-	251	(7)	(1)	(6)	(124)	-	(124)		
Off-balance sheet exposures	**511,269**	**488,527**	**22,742**	**2,366**	**3**	**2,363**	**(616)**	**(319)**	**(297)**	**(347)**	**-**	**(347)**		
Central banks	13,391	13,365	26	-	-	-	-	-	-	-	-	-		
General governments	24,134	23,255	879	7	-	7	(5)	(1)	(4)	-	-	-		
Credit institutions	34,149	33,650	499	-	-	-	(15)	(7)	(8)	-	-	-		
Other financial	74,516	72,098	2,418	88	-	88	(28)	(19)	(9)	(14)	-	(14)		
Non-financial	308,478	291,517	16,961	2,097	2	2,095	(436)	(213)	(223)	(323)	-	(323)		
Households	56,601	54,642	1,959	174	1	173	(132)	(79)	(53)	(10)	-	(10)		
TOTAL	**1,845,830**	**1,730,226**	**115,604**	**36,386**	**3,004**	**33,382**	**(5,863)**	**(2,716)**	**(3,147)**	**(17,083)**	**(374)**	**(16,709)**		

As at 30 June 2021, the non-performing loans ratio of the Group stands at 2.5%, compared with 2.8% at 31 December 2020. This ratio is used by the European Banking Authority to monitor non-performing loans in Europe. It is calculated on the basis of gross loans exposures, advances and deposits with central banks without taking into account collateral received.

Note 4.e. of financial statements presents changes in the stock of non-performing loans and advances (EU CR2).

Update of the 2020 Universal registration document, table 48 page 392.

► TABLE 48 : BREAKDOWN OF NON-PERFORMING EXPOSURES AND PROVISIONS BY GEOGRAPHY (EU CQ4)

							30 June 2021
	Gross carrying/Nominal amount						
In millions of euros		of which: non-performing	of which: defaulted	of which: subject to impairment	Accumulated impairment	Provisions on off-balance sheet commitments and financial guarantee given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
On balance sheet exposures	**1,463,166**	**32,943**	**31,606**	**1,458,476**	**(22,149)**		**(70)**
Europe(*)	**1,103,180**	**26,770**	**25,964**	**1,100,040**	**(17,195)**		**(66)**
France	468,741	8,123	7,594	467,134	(5,435)		(28)
Belgium	196,948	2,479	2,390	196,917	(1,338)		-
Luxembourg	48,842	187	185	48,698	(157)		(2)
Italy	131,481	8,813	8,770	131,339	(5,779)		(29)
United Kingdom	61,520	1,722	1,717	61,248	(1,145)		(1)
Germany	49,917	1,314	1,298	49,469	(890)		-
Netherlands	21,097	96	93	21,066	(81)		-
Other European countries	124,633	4,036	3,917	124,169	(2,370)		(6)
North America	**154,168**	**1,074**	**866**	**154,118**	**(853)**		**(1)**
Asia Pacific	**116,357**	**635**	**560**	**116,296**	**(383)**		**(2)**
Japan	40,505	60	**60**	40,505	(22)		-
Northern Asia	33,411	77	**77**	33,405	(120)		-
South-East Asia (ASEAN)	24,841	233	**176**	24,809	(146)		-
Indian Peninsula and Pacific	17,601	265	**247**	17,578	(94)		(2)
Rest of the World	**89,462**	**4,463**	**4,217**	**88,023**	**(3,717)**		**0**
Turkey	15,245	581	581	15,255	(557)		-
Mediterranean	8,715	862	855	8,715	(762)		-
Gulf States & Africa	14,055	1,771	1,762	14,055	(1,488)		-
Latin America	13,824	314	308	13,820	(264)		-
Other countries	37,623	936	711	36,177	(647)		0
Off balance sheet exposures	**518,987**	**2,326**	**2,324**			**1,059**	
Europe(*)	**341,265**	**1,923**	**1,921**			**717**	
France	96,918	395	395			167	
Belgium	41,523	413	411			196	
Luxembourg	15,263	3	3			9	
Italy	34,636	618	618			113	
United Kingdom	41,653	173	173			52	
Germany	25,761	149	149			65	
Netherlands	16,863	40	40			17	
Other European countries	68,649	132	132			98	
North America	**106,268**	**160**	**160**			**168**	
Asia Pacific	**29,398**	**21**	**21**			**32**	
Japan	2,187	0	**0**			1	
North Asia	13,043	1	**1**			13	
South-East Asia (ASEAN)	7,065	19	**19**			12	
Indian peninsula & Pacific	7,103	1	**1**			5	
Rest of the World	**42,056**	**222**	**221**			**143**	
Turkey	4,306	31	31			34	
Mediterranean	2,338	71	71			34	
Gulf States & Africa	24,414	71	71			68	
Latin America	4,502	1	2			3	
Other countries	6,496	47	47			5	
TOTAL	**1,982,153**	**35,269**	**33,930**	**1,458,476**	**(22,149)**	**1,059**	**(70)**

(*) Within the European Union, the European Free Trade Association (EFTA) and United Kingdom.

							31 December 2020
	Gross carrying/Nominal amount						
In millions of euros		of which: non-performing	of which: defaulted	of which: subject to impairment	Accumulated impairment	Provisions on off-balance sheet commitments and financial guarantee given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
On balance sheet exposures	**1,368,581**	**34,020**	**31,018**	**1,365,649**	**(21,916)**		**(66)**
Europe(*)	**1,070,064**	**27,738**	**25,265**	**1,067,309**	**(17,233)**		**(55)**
France	480,317	8,612	7,865	479,010	(5,661)		(30)
Belgium	177,119	2,685	2,625	176,978	(1,284)		-
Luxembourg	42,897	181	175	42,743	(139)		(2)
Italy	132,914	9,403	8,956	132,767	(5,852)		(16)
United Kingdom	50,631	1,674	1,544	50,493	(1,125)		(1)
Germany	47,597	1,423	1,136	47,353	(859)		-
Netherlands	20,439	117	112	20,409	(80)		-
Other European countries	118,151	3,642	2,851	117,556	(2,233)		(5)
North America	**136,830**	**1,012**	**975**	**136,778**	**(886)**		**(3)**
Asia Pacific	**72,116**	**628**	**541**	**72,067**	**(303)**		**(1)**
Japan	14,968	62	**62**	14,968	(14)		-
Northern Asia	27,974	54	**53**	27,960	(79)		-
South-East Asia (ASEAN)	14,487	223	**160**	14,456	(131)		-
Indian Peninsula and Pacific	14,687	290	**266**	14,683	(79)		(1)
Rest of the World	**89,571**	**4,641**	**4,237**	**89,495**	**(3,494)**		**(7)**
Turkey	17,111	739	692	17,099	(584)		-
Mediterranean	9,111	948	916	9,111	(791)		-
Gulf States & Africa	13,452	1,593	1,559	13,452	(1,260)		-
Latin America	13,742	310	276	13,742	(231)		-
Other countries	36,155	1,051	793	36,090	(629)		(7)
Off balance sheet exposures	**513,635**	**2,366**	**2,364**			**964**	
Europe(*)	**359,374**	**2,022**	**2,020**			**636**	
France	115,917	371	371			133	
Belgium	40,061	426	424			164	
Luxembourg	11,809	4	4			9	
Italy	34,626	740	740			126	
United Kingdom	43,061	149	149			26	
Germany	29,063	117	117			73	
Netherlands	18,180	38	38			12	
Other European countries	66,656	177	177			94	
North America	**96,114**	**127**	**127**			**161**	
Asia Pacific	**21,151**	**18**	**18**			**21**	
Japan	1,894	0	**0**			**1**	
North Asia	7,197	1	**1**			**11**	
South-East Asia (ASEAN)	5,982	17	**17**			**7**	
Indian peninsula & Pacific	6,077	0	**0**			**2**	
Rest of the World	**36,996**	**200**	**200**			**146**	
Turkey	4,178	29	29			37	
Mediterranean	2,525	90	90			33	
Gulf States & Africa	20,060	68	68			67	
Latin America	4,649	1	1			3	
Other countries	5,584	13	13			6	
TOTAL	**1,882,216**	**36,386**	**33,382**	**1,365,649**	**(21,916)**	**964**	**(66)**

(*) Within the European Union, the European Free Trade Association (EFTA) and United Kingdom.

Update of the 2020 Universal registration document, table 49 p.394.

In accordance with the EBA technical instructions, of 24 June 2020, the table (EU CQ5) below shows the breakdown of loans and advances by non-financial corporations. It therefore excludes debt securities and loans and advances due from central governments and central banks, credit institutions and households.

► TABLE 49 : BREAKDOWN OF LOANS AND ADVANCES AND STAGE 3 PROVISIONS TO NON-FINANCIAL CORPORATIONS BY INDUSTRY (EU CQ5)

	30 June 2021					
	Gross carrying amount					
In millions of euros		of which: non-performing	of which: defaulted	of which: loans and advances subject to impairment	Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
Agriculture, forestry and fishing	14,634	775	738	14,335	(419)	-
Mining and quarrying	7,793	480	480	7,793	(349)	-
Manufacturing	72,207	3,654	3,545	72,170	(2,754)	-
Electricity, gas, steam and air conditioning supply	24,774	229	228	24,629	(150)	-
Water supply	2,112	162	162	2,112	(143)	-
Construction	21,801	2,044	2,009	21,763	(1,313)	-
Wholesale and retail trade	63,140	2,319	2,289	63,105	(1,756)	-
Transport and storage	31,749	966	964	31,739	(640)	-
Accommodation and food service activities	7,601	686	666	7,599	(500)	-
Information and communication	12,807	458	457	12,807	(176)	-
Financial and insurance activities	14,965	238	238	14,754	(248)	-
Real estate activities	69,329	1,922	1,897	69,214	(1,179)	-
Professional, scientific and technical activities	11,632	434	223	11,632	(260)	-
Administrative and support service activities	46,102	1,264	1,262	46,096	(372)	-
Public administration and defense, compulsory social security	865	495	495	865	(294)	-
Education	1,015	34	33	1,015	(24)	-
Human health services and social work activities	5,220	155	155	5,214	(125)	-
Arts, entertainment and recreation	2,608	120	120	2,608	(122)	-
Other services	13,536	377	273	13,531	(244)	-
TOTAL	**423,891**	**16,811**	**16,233**	**422,982**	**(11,066)**	**-**

	31 December 2020					
	Gross carrying amount					
In millions of euros		of which: non-performing	of which: defaulted	of which: loans and advances subject to impairment	Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
Agriculture, forestry and fishing	14,510	832	769	14,179	(413)	-
Mining and quarrying	6,911	506	505	6,911	(365)	-
Manufacturing	73,340	4,021	3,821	73,301	(2,706)	-
Electricity, gas, steam and air conditioning supply	24,366	288	281	24,216	(234)	-
Water supply	2,239	173	170	2,239	(149)	-
Construction	21,591	2,407	2,354	21,556	(1,471)	-
Wholesale and retail trade	61,902	2,524	2,380	61,856	(1,960)	-
Transport and storage	31,670	1,175	1,154	31,655	(520)	-
Accommodation and food service activities	7,913	685	676	7,913	(463)	-
Information and communication	12,760	433	425	12,760	(164)	-
Financial and insurance activities	13,665	248	244	13,615	(256)	-
Real estate activities	69,847	2,012	1,998	69,737	(902)	-
Professional, scientific and technical activities	11,070	231	213	11,070	(164)	-
Administrative and support service activities	44,626	655	634	44,612	(448)	-
Public administration and defense, compulsory social security	523	125	122	523	(109)	-
Education	1,045	37	36	1,045	(26)	-
Human health services and social work activities	5,937	175	154	5,937	(128)	-
Arts, entertainment and recreation	2,927	125	123	2,927	(79)	-
Other services	12,412	410	358	12,407	(377)	-
TOTAL	**419,253**	**17,060**	**16,418**	**418,456**	**(10,934)**	**-**

Update of the 2020 Universal registration document, table 50 page 396.

► TABLE 50 : CREDIT QUALITY OF FORBORNE EXPOSURES (EU CQ1)

	30 June 2021						
	Gross carrying amount			Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collaterals received and financial guarantees received	
		Non-performing exposures					
In millions of euros	Performing exposures		Of which defaulted	On performing exposures	On non-performing exposures		Of which: Collateral and financial guarantees received on non-performing exposures
Loans and advances	**10,695**	**9,838**	**9,187**	**(599)**	**(3,720)**	**8,936**	**3,166**
General governments	1	12	9	-	(7)	6	5
Credit institutions	-	-	-	-	-	-	-
Other financial corporations	227	186	184	(5)	(125)	283	61
Non-financial corporations	6,947	4,991	4,856	(374)	(1,816)	5,708	2,037
Households	3,520	4,649	4,138	(220)	(1,772)	2,939	1,063
Debt Securities	**-**	**207**	**207**	**-**	**(66)**	**44**	**44**
Loan commitments given	**2,763**	**242**	**240**	**(27)**	**(39)**	**2,196**	**93**
Total	**13,458**	**10,287**	**9,634**	**(626)**	**(3,825)**	**11,176**	**3,303**

	31 December 2020						
	Gross carrying amount			Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collaterals received and financial guarantees received	
		Non-performing exposures					
In millions of euros	Performing exposures		Of which defaulted	On performing exposures	On non-performing exposures		Of which: Collateral and financial guarantees received on non-performing exposures
Loans and advances	**8,001**	**9,313**	**7,238**	**(483)**	**(3,505)**		
General governments	1	9	8	-	(8)		
Credit institutions	-	1	1	-	(1)		
Other financial corporations	225	201	201	(7)	(150)		
Non-financial corporations	5,162	4,316	4,127	(303)	(1,665)		
Households	2,613	4,786	2,901	(173)	(1,681)		
Debt Securities	**-**	**205**	**205**	**-**	**(62)**		
Loan commitments given	**931**	**160**	**157**	**(10)**	**(24)**		
Total	**8,932**	**9,678**	**7,600**	**(493)**	**(3,591)**		

Credit risk mitigation techniques

Guarantees and collaterals accounted on loans and advances and debt securities amounted to EUR 546 billion at 30 June 2021.

▶ CREDIT RISK MITIGATION TECHNIQUES (CR3)

	30 June 2021					
			Secured net carrying amount			
					Of which secured by financial guarantees	
In millions of euros	Gross carrying amount	Unsecured net carrying amount		Of which secured by collateral		Of which secured by credit derivatives
Loans and advances	1,293,444	736,009	535,573	277,793	257,780	-
Debt securities	169,723	160,105	9,261	900	8,361	-
Total	**1,463,166**	**896,114**	**544,834**	**278,693**	**266,141**	**-**
Of which non-performing exposures	32,943	6,210	10,067	6,798	3,268	-
Of which defaulted	31,606	5,313	9,788	6,748	3,040	-

	31 December 2020					
			Secured net carrying amount			
					Of which secured by financial guarantees	
In millions of euros	Gross carrying amount	Unsecured net carrying amount		Of which secured by collateral		Of which secured by credit derivatives
Loans and advances	1,188,083	684,491	503,592	251,915	251,677	
Debt securities	180,498	171,305	9,193	51	9,142	
Total	**1,368,581**	**855,796**	**512,786**	**251,966**	**260,820**	
Of which non-performing exposures	34,020	6,919	10,365	7,112	3,253	
Of which defaulted						

The table below shows the amount of guarantees and collaterals in the scope of exposures subject to credit risk in balance sheet and in off balance sheet. This amount takes into account more restrictive eligibility criteria and regulatory conservatism margins, including valuation haircuts applied when the currency and maturity of the guarantee are not identical to those of the secured exposure.

▶ CREDIT RISK MITIGATION IN IRBA AND STANDARD APPORACH

	30 June 2021				31 December 2020			
		Risk mitigation				Risk mitigation		
In millions of euros	Gross exposure	Collateral	Guarantees and credit derivatives	Total risk mitigation	Gross exposure	Collateral	Guarantees and credit derivatives	Total risk mitigation
IRB approach	1,455,848	180,588	200,312	380,900	1,369,223	174,271	195,027	369,298
Standardised approach	393,923	63,222	20,851	84,073	384,775	61,675	18,470	80,146
TOTAL	**1,849,770**	**243,810**	**221,163**	**464,973**	**1,753,998**	**235,946**	**213,498**	**449,444**

At 30 June 2021, the reduction in risk-weighted assets resulting from CDS hedging operations concerns only the corporate exposure class and represents EUR 275 million (EU CR7).

► SECURED EXPOSURES IN IRB APPROACH (EU CR7-A)

														30 June 2021
			Credit Risk Mitigation techniques											
			Funded credit Protection									Unfunded credit Protection		
				Part covered by Other eligible collaterals (%)				Part covered by Other funded credit protection (%)						
In millions of euros	Total gross exposures(*)	Total net exposures	Part covered by Financial Collaterals		of which Immovable property Collaterals	of which Receivables	of which Other physical collateral		of which Cash on deposit	of which Life insurance policies	of which Instruments held by a third party	Part covered by Guarantees	Part covered by Credit Derivatives	Total RWA (reduction effects only)(**)
Central governments and central banks	499,487	498,643	0.00%	0.01%	0.00%	0.00%	0.01%	0.00%	0.00%	0.00%	0.00%	0.52%	0.00%	3,992
Institutions	59,490	47,133	0.79%	1.12%	0.08%	0.26%	0.78%	0.48%	0.00%	0.48%	0.00%	13.62%	0.00%	11,236
Corporates	607,227	441,573	1.46%	17.50%	4.62%	1.98%	10.89%	1.51%	0.00%	1.51%	0.00%	20.78%	0.02%	216,212
Of which Corporates – SMEs	42,130	37,470	1.90%	27.60%	12.57%	3.88%	11.15%	0.51%	0.00%	0.51%	0.00%	22.43%	0.00%	18,573
Of which Corporates – Specialised	85,341	71,363	0.30%	54.03%	13.84%	4.99%	35.20%	6.26%	0.00%	6.26%	0.00%	16.99%	0.00%	24,835
Of which Corporates – Other	479,755	332,740	1.65%	8.52%	1.75%	1.13%	5.65%	0.60%	0.00%	0.60%	0.00%	21.40%	0.02%	172,804
Retail	289,644	285,010	0.35%	30.04%	29.92%	0.08%	0.04%	0.06%	0.00%	0.06%	0.00%	34.90%	0.00%	56,274
Of which Retail – Immovable property	11,677	11,168	0.17%	33.69%	33.58%	0.10%	0.01%	0.06%	0.00%	0.06%	0.00%	26.66%	0.00%	2,942
Of which Retail – Immovable property	179,133	179,172	0.07%	44.27%	44.27%	0.00%	0.00%	0.01%	0.00%	0.01%	0.00%	45.14%	0.00%	21,417
Of which Retail – Qualifying revolving	15,937	13,342	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	3,107
Of which Retail – Other SMEs	34,299	32,851	0.64%	5.90%	4.92%	0.66%	0.33%	0.27%	0.00%	0.27%	0.00%	40.58%	0.00%	7,863
Of which Retail – Other non-SMEs	48,599	48,477	1.32%	1.20%	1.18%	0.00%	0.01%	0.12%	0.00%	0.12%	0.00%	4.74%	0.00%	20,945
TOTAL	**1,455,848**	**1,272,358**	**1.56%**	**12.85%**	**8.31%**	**0.72%**	**3.82%**	**0.56%**	**0.00%**	**0.56%**	**0.00%**	**15.74%**	**0.01%**	**287,714**

(*) Excluding derivatives and securities financing transactions subject to counterparty risk exposures.

(**) In accordance with the Group's IRBA methodology, the impact of risk mitigation techniques is treated only by reducing LGD (no substitution approach).

Exposures subject to moratoria and public guarantees

Update of the 2020 Universal registration document, table 51 page 398

► TABLE 51: EXPOSURES SUBJECT TO LEGISLATIVE AND NON LEGISLATIVE MORATORIA(1)

	30 June 2021														
	Gross carrying amount							Accumulated impairment, accumulated negative changes in fair value due to credit risk							Gross carrying amount - inflows to non performing exposures
		Performing exposure			Non performing exposure				Performing exposure			Non performing exposure			
In millions of euros			*of which exposures with forbearance measures*	*of which stage 2*		*of which exposures with forbearance measures*	*of which unlikely to pay that are not past-due or past-due ≤ 90 days*			*of which exposures with forbearance measures*	*of which stage 2*		*of which exposures with forbearance measures*	*of which unlikely to pay that are not past-due or past-due ≤ 90 days*	
Loans and advances subject to moratorium	**47,162**	**45,765**	***1,697***	***10,372***	**1,397**	***685***	***487***	**(1,044)**	**(635)**	***(91)***	***(402)***	**(409)**	***(148)***	***(99)***	**639**
of which households	15,075	14,428	*532*	*3,183*	647	*317*	*190*	(493)	(277)	*(24)*	*(148)*	(216)	*(72)*	*(39)*	387
of which collateralised by residential immovable property	*6,871*	*6,624*	*344*	*1,282*	*247*	*149*	*96*	*(82)*	*(48)*	*(11)*	*(39)*	*(34)*	*(20)*	*(12)*	*112*
of which non-financial corporations	30,656	29,946	*1,139*	*6,938*	710	*354*	*296*	(510)	(345)	*(66)*	*(244)*	(165)	*(70)*	*(60)*	221
of which SME	*18,144*	*17,690*	*798*	*4,255*	*454*	*192*	*123*	*(353)*	*(229)*	*(49)*	*(166)*	*(125)*	*(49)*	*(33)*	*180*
of which collateralised by commercial immovable property	*7,559*	*7,304*	*208*	*1,670*	*254*	*194*	*180*	*(101)*	*(64)*	*(8)*	*(43)*	*(37)*	*(26)*	*(21)*	*32*

(1) Moratoria qualified as "Covid-19 moratorium measure" meeting the criteria defined in EBA Guidelines published on 2 April 2020.

															31 December 2020
	Gross carrying amount							Accumulated impairment, accumulated negative changes in fair value due to credit risk							
		Performing exposure			Non performing exposure				Performing exposure			Non performing exposure			
In millions of euros			*of which exposures with forbearance measures*	*of which stage 2*		*of which exposures with forbearance measures*	*of which unlikely to pay that are not past-due or past-due ≤ 90 days*			*of which exposures with forbearance measures*	*of which stage 2*		*of which exposures with forbearance measures*	*of which unlikely to pay that are not past-due or past-due ≤ 90 days*	Gross carrying amount - inflows to non performing exposures
Loans and advances subject to moratorium	**54,125**	**52,845**	***1,693***	***10,249***	**1,280**	***712***	***501***	**(1,009)**	**(708)**	***(90)***	***(448)***	**(301)**	***(144)***	***(121)***	**396**
of which households	16,972	16,286	*524*	*3,387*	686	*370*	*233*	(496)	(316)	*(29)*	*(187)*	(181)	*(74)*	*(65)*	267
of which collateralised by residential immovable property	*8,098*	*7,827*	*341*	*1,560*	*271*	*160*	*110*	*(102)*	*(70)*	*(18)*	*(55)*	*(32)*	*(18)*	*(15)*	*79*
of which non-financial corporations	35,533	34,954	*1,139*	*6,619*	579	*332*	*261*	(495)	(380)	*(60)*	*(253)*	(115)	*(65)*	*(55)*	127
of which SME	*20,057*	*19,675*	*748*	*3,692*	*382*	*210*	*160*	*(329)*	*(251)*	*(43)*	*(168)*	*(78)*	*(41)*	*(31)*	*88*
of which collateralised by commercial immovable property	*8,574*	*8,364*	*223*	*1,908*	*210*	*160*	*152*	*(95)*	*(67)*	*(6)*	*(46)*	*(28)*	*(20)*	*(20)*	*85*

(1) Moratoria qualified as "Covid-19 moratorium measure" meeting the criteria defined in EBA Guidelines published on 2 April 2020.

Update of the 2020 Universal registration document, table 52 page 398.

► TABLE 52: BREAKDOWN OF EXPOSURES SUBJECT TO LEGISLATIVE AND NON LEGISLATIVE MORATORIA[1] BY RESIDUAL MATURITY OF MORATORIA

	30 June 2021								
		Gross carrying amount							
					Residual maturity of moratoria				
In millions of euros	Number of obligors		of which legislative moratoria	of which expired moratoria	≤ 3 months	> 3 months ≤ 6 months	> 6 months ≤ 9 months	> 9 months ≤ 12 months	> 12 months
Loans and advances for which moratorium was offered	**782,923**	**47,243**							
Loans and advances subject to moratorium (granted)	**782,455**	**47,162**	**9,636**	**44,693**	**1,013**	**761**	**428**	**142**	**125**
of which households		15,075	3,131	14,316	374	335	16	4	29
of which collateralised by residential immovable property		*6,871*	*1,585*	*6,556*	*119*	*153*	*10*	*4*	*29*
of which non-financial corporations		30,656	6,492	28,954	636	421	411	138	95
of which SME		*18,144*	*4,573*	*16,677*	*560*	*383*	*336*	*132*	*57*
of which collateralised by commercial immovable property		*7,559*	*2,504*	*7,396*	*42*	*120*	-	-	-

(1) Moratoria qualified as "Covid-19 moratorium measure" meeting the criteria defined in EBA Guidelines published on 2 April 2020.

	31 December 2020								
		Gross carrying amount							
					Residual maturity of moratoria				
In millions of euros	Number of obligors		of which legislative moratoria	of which expired moratoria	≤ 3 months	> 3 months ≤ 6 months	> 6 months ≤ 9 months	> 9 months ≤ 12 months	> 12 months
Loans and advances for which moratorium was offered	**945,424**	**54,371**							
Loans and advances subject to moratorium (granted)	**943,617**	**54,125**	**11,697**	**43,964**	**7,456**	**2,206**	**217**	**187**	**95**
of which households		16,972	4,228	13,948	1,505	1,230	107	136	46
of which collateralised by residential immovable property		*8,098*	*2,208*	*6,691*	*771*	*352*	*105*	*134*	*45*
of which non-financial corporations		35,533	7,448	28,553	5,796	974	110	51	49
of which SME		*20,057*	*5,318*	*16,203*	*3,235*	*479*	*92*	*45*	*3*
of which collateralised by commercial immovable property		*8,574*	*2,904*	*7,118*	*1,399*	*35*	*22*	*0*	-

(1) Moratoria qualified as "Covid-19 moratorium measure" meeting the criteria defined in EBA Guidelines published on 2 April 2020.

Update of the 2020 Universal registration document, table 53 page 400.

► TABLE 53: LOANS AND ADVANCES SUBJECT TO PUBLIC GUARANTEE SCHEMES

	30 June 2021			
	Gross carrying amount		Public guarantees received	Gross carrying amount - inflows to non performing exposures
In millions of euros		of which exposures with forbearance measures		
Newly originated loans and advances subject to public guarantee schemes	**23,176**	**144**	**20,492**	**242**
of which households	844			4
of which collateralised by residential immovable property	*2*			-
of which non-financial corporations	21,479	141	18,994	238
of which SME	*12,417*			*52*
of which collateralised by commercial immovable property	*191*			*2*

	31 December 2020			
	Gross carrying amount		Public guarantees received	Gross carrying amount - inflows to non performing exposures
In millions of euros		of which exposures with forbearance measures		
Newly originated loans and advances subject to public guarantee schemes	**24,550**	**17**	**21,688**	**72**
of which households	834			1
of which collateralised by residential immovable property	*6*			-
of which non-financial corporations	22,666	15	20,081	54
of which SME	*12,591*			*24*
of which collateralised by commercial immovable property	*243*			-

SECURITISATION IN THE BANKING BOOK

The following securitisation exposures are presented according to their rating, the materiality of the risk transfer ("SRT" for efficient operations), and the compliance with the "STS" criteria (for simple, transparent and standard transactions). As a reminder, the underlying exposures of securitisation transactions that do not result in a significant risk transfer are subject to capital requirements for credit risk.

Update of the 2020 Universal registration document, table 60 page 408.

► TABLE 60 : SECURITISATION EXPOSURES IN THE NON-TRADING BOOK (*) (EU SEC1)

	30 June 2021															
	originator							sponsor				investor				
	Traditional				Synthetic			Traditional		Synthetic		Traditional		Synthetic		
In millions of euros	STS	*of which SRT*	Non-STS	*of which TRS*		*of which SRT*	Total	STS	Non-STS		Total	STS	Non-STS		Total	Total
Retail	**8,198**	**442**	**43,681**	**432**	**1,097**	**-**	**52,976**	**-**	**10,899**	**-**	**10,899**	**313**	**2,899**	**-**	**3,212**	**67,086**
residential mortgage	33	0	37,964	10	0	0	37,997	0	565		565	313	2,108	-	2,421	**40,984**
credit card	0	0	0	0	0	0	-	0	3,098		3,098	0	58	-	58	**3,156**
other retail exposures	8,166	442	5,716	422	1,097	0	14,979	0	7,235		7,235	0	732	-	732	**22,946**
re-securitisation	-	-	-	-	-	-	-	-	-		-	-	-	-	-	**-**
Wholesale	**40**	**40**	**12,076**	**11**	**29,239**	**29,239**	**41,355**	**949**	**10,136**	**-**	**11,085**	**112**	**7,297**	**-**	**7,409**	**59,849**
loans to corporates	0	0	11,979	11	29,239	29,239	41,218	86	635		721	0	6,494	-	6,494	**48,432**
commercial mortgage	0	0	0	0	0	0	-	0	0		-	0	18	-	18	**18**
lease and receivables	40	40	97	0	0	0	137	611	4,460		5,071	112	770	-	882	**6,090**
other wholesale	-	-	-	-	-	-	-	253	5,041		5,293	-	15	-	15	**5,309**
re-securitisation	-	-	-	-	-	-	-	-	-		-	-	-	-	-	**-**
TOTAL	**8,239**	**482**	**55,757**	**444**	**30,336**	**29,239**	**94,331**	**949**	**21,035**	**-**	**21,984**	**425**	**10,196**	**-**	**10,620**	**126,935**

(*) Based on the predominant asset class in the asset pool of the securitisation in which the position is held.

	31 December 2020															
	originator							sponsor				investor				
	Traditional				Synthetic			Traditional		Synthetic		Traditional		Synthetic		
In millions of euros	STS	*of which SRT*	Non-STS	*of which TRS*		*of which SRT*	Total	STS	Non-STS		Total	STS	Non-STS		Total	Total
Retail	**8,207**	**233**	**43,571**	**571**	**1,201**	**-**	**52,979**	**984**	**10,613**	**-**	**11,597**	**12**	**4,516**	**-**	**4,528**	**69,104**
residential mortgage	33	0	37,554	11	0	0	37,587	0	369		369	12	3,867	-	3,879	**41,835**
credit card	0	0	0	0	0	0	-	0	2,869		2,869	0	56	-	56	**2,925**
other retail exposures	8,174	233	6,016	559	1,201	0	15,392	984	7,375		8,359	0	593	-	593	**24,343**
re-securitisation	-	-	-	-	-	-	-	-	-		-	-	-	-	-	**-**
Wholesale	**53**	**53**	**9,667**	**14**	**33,772**	**33,772**	**43,491**	**987**	**10,246**	**-**	**11,233**	**-**	**4,459**	**-**	**4,459**	**59,184**
loans to corporates	0	0	9,667	14	33,772	33,772	43,438	67	570		637	0	4,195	-	4,195	**48,271**
commercial mortgage	0	0	0	0	0	0	-	0	0		-	0	16	-	16	**16**
lease and receivables	53	53	0	0	0	0	53	920	3,449		4,370	0	229	-	229	**4,651**
other wholesale	-	-	-	-	-	-	-	-	6,226		6,226	-	19	-	19	**6,245**
re-securitisation	-	-	-	-	-	-	-	-	-		-	-	-	-	-	**-**
TOTAL	**8,260**	**285**	**53,238**	**584**	**34,972**	**33,772**	**96,470**	**1,972**	**20,858**	**-**	**22,830**	**12**	**8,975**	**-**	**8,987**	**128,287**

(*) Based on the predominant asset class in the asset pool of the securitisation in which the position is held.

Update of the 2020 Universal registration document, table 65 page 412.

► TABLE 65 : SECURITISATION EXPOSURES AND RISK WEIGHTED ASSETS - INSTITUTION ACTING AS ORIGINATOR OR AS SPONSOR (EU SEC3)

													30 June 2021
	Exposure values (by RW bands/deductions)					Exposure values (by regulatory approach)				RWA (by regulatory approach)(**)			
In millions of euros	≤ 20 %	> 20 % ≤ 50 %	> 50 % ≤ 100 %	> 100 % < 1 250 %	deductions(*)	SEC-IRBA	SEC-ERBA	SEC-SA	deductions(*)	SEC-IRBA	SEC-ERBA	SEC-SA	deductions(*)
Traditional transactions	**16,987**	**4,521**	**890**	**511**	**25**	**1,161**	**2,628**	**19,120**	**25**	**476**	**1,466**	**3,607**	
Securitisation	16,987	4,521	890	511	25	1,161	2,628	19,120	25	476	1,466	3,607	
Retail	*9,348*	*1,966*	*29*	*429*	*4*	*515*	*1,453*	*9,805*	*4*	*143*	*832*	*1,691*	
Of which STS	*409*	*4*	*5*	*23*	*4*	*112*	*330*	*-*	*4*	*54*	*103*	*-*	
Wholesale	*7,639*	*2,554*	*861*	*82*	*22*	*646*	*1,176*	*9,314*	*22*	*333*	*634*	*1,916*	
Of which STS	*921*	*37*	*2*	*30*	*17*	*-*	*348*	*641*	*17*	*-*	*179*	*65*	
Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	
Synthetic transactions	**29,119**	**-**	**-**	**120**	**106**	**29,239**	**-**	**-**	**106**	**5,197**	**-**	**-**	
Securitisation	29,119	-	-	120	106	29,239	-	-	106	5,197	-	-	
Retail underlying	-	-	-	-	-	-	-	-	-	-	-	-	
Wholesale	*29,119*	*-*	*-*	*120*	*106*	*29,239*	*-*	*-*	*106*	*5,197*	*-*	*-*	
Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	
TOTAL	**46,106**	**4,521**	**890**	**631**	**131**	**30,400**	**2,628**	**19,120**	**131**	**5,673**	**1,466**	**3,607**	

(*) The group opted for the deduction of CET1 capital rather than the 1250% weighting.

(**) After application of the regulatory ceiling. Capital requirements correspond to 8% of risk-weighted assets.

													31 December 2020
	Exposure values (by RW bands/deductions)					Exposure values (by regulatory approach)				RWA (by regulatory approach)(**)			
En millions d'euros	≤ 20 %	> 20 % ≤ 50 %	> 50 % ≤ 100 %	> 100 % < 1 250 %	deductions(*)	SEC-IRBA	SEC-ERBA	SEC-SA	deductions(*)	SEC-IRBA	SEC-ERBA	SEC-SA	deductions(*)
Traditional transactions	**19,151**	**3,033**	**1,221**	**295**	**32**	**19,702**	**696**	**3,302**	**32**	**4,888**	**736**	**693**	
Securitisation	19,151	3,033	1,221	295	32	19,702	696	3,302	32	4,888	736	693	
Retail	*10,091*	*1,902*	*210*	*196*	*12*	*9,865*	*102*	*2,433*	*12*	*2,434*	*51*	*441*	
Of which STS	*1,189*	*5*	*3*	*20*	*5*	*718*	*86*	*413*	*5*	*185*	*46*	*82*	
Wholesale	*9,059*	*1,130*	*1,011*	*99*	*20*	*9,837*	*594*	*869*	*20*	*2,453*	*686*	*253*	
Of which STS	*965*	*48*	*2*	*25*	*17*	*920*	*120*	*-*	*17*	*184*	*119*	*-*	
Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	
Synthetic transactions	**33,693**	**-**	**-**	**79**	**142**	**33,772**	**-**	**-**	**142**	**6,042**	**-**	**-**	
Securitisation	33,693	-	-	79	142	33,772	-	-	142	6,042	-	-	
Retail underlying	-	-	-	-	-	-	-	-	-	-	-	-	
Wholesale	*33,693*	*-*	*-*	*79*	*142*	*33,772*	*-*	*-*	*142*	*6,042*	*-*	*-*	
Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	
TOTAL	**52,843**	**3,033**	**1,221**	**374**	**174**	**53,473**	**696**	**3,302**	**174**	**10,930**	**736**	**693**	

(*) The group opted for the deduction of CET1 capital rather than the 1250% weighting.

(**) After application of the regulatory ceiling. Capital requirements correspond to 8% of risk-weighted assets.

Update of the 2020 Universal registration document, table 66 page 413.

► TABLE 66 : SECURITISATION POSITIONS AND RISK-WEIGHTED ASSETS - BNP PARIBAS ACTING AS INVESTOR (EU SEC4)

	30 June 2021												
	Exposure values (by RW bands/deductions)					EAD				Risk weighted assets(**)			
In millions of euros	≤ 20 %	> 20 % ≤ 50 %	> 50 % ≤ 100 %	> 100 % < 1 250 %	deductions(*)	SEC-IRBA	SEC-ERBA	SEC-SA	deductions(*)	SEC-IRBA	SEC-ERBA	SEC-SA	deductions(*)
Traditional transactions	**8,843**	**1,454**	**216**	**107**	**-**	**6,450**	**1,390**	**2,781**	**-**	**1,200**	**629**	**509**	
Securitisation	8,843	1,454	216	107	-	6,450	1,390	2,781	-	1,200	629	509	
Retail	*2,582*	*447*	*98*	*85*	-	-	*635*	*2,781*	-	-	*492*	*390*	
Of which STS	*313*	-	-	-	-	-	-	*2,576*	-	-	-	*32*	
Wholesale	*6,261*	*1,007*	*119*	*22*	-	*6,450*	*755*	*313*	-	*1,200*	*138*	*119*	
Of which STS	*112*	-	-	-	-	-	-	*204*	-	-	-	*11*	
Re-securitisation	-	-	-	-	-	-	-	112	-	-	-	-	
Synthetic transactions	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	
TOTAL	**8,843**	**1,454**	**216**	**107**	**-**	**6,450**	**1,390**	**2,781**	**-**	**1,200**	**629**	**509**	

(*) The group opted for the deduction of CET1 capital instead of the 1250% weighting.

(**) After application of the regulatory ceiling. Capital requirements correspond to 8% of risk-weighted assets.

	31 December 2020												
	Exposure values (by RW bands/deductions)					EAD				Risk weighted assets(**)			
In millions of euros	≤ 20 %	> 20 % ≤ 50 %	> 50 % ≤ 100 %	> 100 % < 1 250 %	deductions(*)	SEC-IRBA	SEC-ERBA	SEC-SA	deductions(*)	SEC-IRBA	SEC-ERBA	SEC-SA	deductions(*)
Traditional transactions	**7,624**	**1,124**	**131**	**108**	**-**	**7,326**	**819**	**842**	**-**	**1,349**	**534**	**230**	
Securitisation	7,624	1,124	131	108	-	7,326	819	842	-	1,349	534	230	
Retail	*3,667*	*669*	*105*	*86*	-	*2,994*	*755*	*842*	-	*604*	*507*	*120*	
Of which STS	*12*	-	-	-	-	-	-	*778*	-	-	-	*2*	
Wholesale	*3,957*	*455*	*26*	*22*	-	*4,332*	*63*	*12*	-	*745*	*26*	*109*	
Of which STS	-	-	-	-	-	-	-	*64*	-	-	-	-	
Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	
Synthetic transactions	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	
TOTAL	**7,624**	**1,124**	**131**	**108**	**-**	**7,326**	**819**	**842**	**-**	**1,349**	**534**	**230**	

(*) The group opted for the deduction of CET1 capital instead of the 1250% weighting.

(**) After application of the regulatory ceiling. Capital requirements correspond to 8% of risk-weighted assets.

COUNTERPARTY CREDIT RISK

Update of the 2020 Universal registration document, table 69 page 418.

► TABLE 69 : BILATERAL COUTERPARTY CREDIT RISK EXPOSURES AT DEFAULT BY APPROACH (EU CCR1)

								30 June 2021
						RWA		
In millions of euros	Replacement cost (RC)	Potential future exposure (PFE)	EEPE(**)	Alpha used for computing regulatory exposure value	*Exposure value*		*Of which standard approach*	*Of which IRB approach*
SA-CCR (for derivatives)	212	971		1.40	1,656	1,353	1,327	26
IMM (for derivatives and SFTs)(*)			105,153	1.65	173,503	34,087	2	34,086
Of which securities financing transactions			*48,044*		*79,272*	*6,090*	*1*	*6,089*
Of which derivatives and long settlement transactions			*57,110*		*94,231*	*27,997*		*27,997*
Financial collateral simple method (for SFTs)			*-*		*18*	*6*	*-*	*6*
TOTAL					**175,177**	**35,447**	**1,329**	**34,118**

(*) Securities Financing Transactions

(**) Effective Expected Positive Exposure.

							31 December 2020
					RWA		
In millions of euros	NPV(***) + Add-on	EEPE(**)	Alpha used for computing regulatory exposure value	*Exposure value*		*Of which standard approach*	*Of which IRB approach*
Mark-to-market	3,042			1,901	1,654	1,609	45
IMM (for derivatives and SFTs)(*)		108,035	1.75	172,856	33,164	6	33,158
Of which securities financing transactions		*44,283*	*1.75*	*70,853*	*4,015*	*5*	*4,010*
Of which derivatives and long settlement transactions		*63,752*	*1.75*	*102,003*	*29,149*	*1*	*29,148*
TOTAL				**174,758**	**34,818**	**1,615**	**33,203**

(*) Securities Financing Transactions

(**) Effective Expected Positive Exposure.

(***) Net Present Value

Update of the 2020 Universal registration document, table 70 page 419.

► TABLE 70: IRBA BILATERAL COUNTERPARTY CREDIT RISK EXPOSURE AT DEFAULT (EU CCR4)

In millions of euros	PD scale	30 June 2021 EAD	Average PD	Number of obligors	Average LGD	Average marturity	RWAs	Average RW
Central governments or central banks	0,00 to < 0,15 %	50,976	0.02%	100 to 1,000	2%	2	179	0%
	0,15 to < 0,25 %	30	0.21%	0 to 100	20%	1	5	17%
	0,25 to < 0,50 %	198	0.33%	0 to 100	40%	0	61	31%
	0,50 to < 0,75 %	7	0.69%	0 to 100	50%	1	6	82%
	0,75 to < 2,50 %	40	1.27%	0 to 100	17%	3	16	40%
	2,50 to < 10,0 %	0	7.22%	0 to 100	7%	1	0	20%
	10,0 to < 100 %	6	n.s.	0 to 100	n.s.	n.s.	24	n.s.
SUB-TOTAL		**51,258**	**0.02%**		**2%**	**2**	**291**	**1%**
Insitutions	0,00 to < 0,15 %	20,928	0.06%	1,000 to 10,000	42%	1	3,556	17%
	0,15 to < 0,25 %	1,301	0.18%	100 to 1,000	49%	1	497	38%
	0,25 to < 0,50 %	1,227	0.33%	100 to 1,000	49%	1	635	52%
	0,50 to < 0,75 %	240	0.59%	0 to 100	53%	1	212	88%
	0,75 to < 2,50 %	513	1.27%	100 to 1,000	43%	1	394	77%
	2,50 to < 10,0 %	188	4.19%	100 to 1,000	52%	2	331	176%
	10,0 to < 100 %	3	16.12%	0 to 100	46%	1	8	246%
SUB-TOTAL		**24,400**	**0.14%**		**43%**	**1**	**5,632**	**23%**
Corporates	0,00 to < 0,15 %	76,164	0.05%	1,000 to 10,000	31%	1	13,950	18%
	0,15 to < 0,25 %	6,396	0.17%	1,000 to 10,000	36%	2	2,153	34%
	0,25 to < 0,50 %	5,574	0.35%	1,000 to 10,000	33%	2	2,557	46%
	0,50 to < 0,75 %	2,293	0.69%	100 to 1,000	34%	3	1,681	73%
	0,75 to < 2,50 %	5,342	1.31%	1,000 to 10,000	43%	2	5,137	96%
	2,50 to < 10,0 %	1,511	4.70%	1,000 to 10,000	45%	2	2,207	146%
	10,0 to < 100 %	402	16.32%	100 to 1,000	25%	2	504	125%
	100 % (defaults)	226	100.00%	0 to 100			6	3%
SUB-TOTAL		**97,908**	**0.53%**		**32%**	**1**	**28,196**	**29%**
Retail		**0**	**n.s.**		**n.s.**	**n.s.**	**0**	**n.s.**
TOTAL		**173,566**	**0.33%**		**25%**	**1**	**34,118**	**20%**

In millions of euros	PD scale	31 December 2020 EAD	Average PD	Number of obligors	Average LGD	Average marturity	RWAs	Average RW
Central governments or central banks	0,00 to < 0,15 %	56,580	0.02%	100 à 1000	1%	2	196	0%
	0,15 to < 0,25 %	24	0.21%	0 à 100	20%	1	4	18%
	0,25 to < 0,50 %	379	0.32%	0 à 100	36%	-	108	28%
	0,50 to < 0,75 %	1	0.69%	0 à 100	50%	5	2	137%
	0,75 to < 2,50 %	149	1.10%	0 à 100	30%	2	106	71%
	2,50 to < 10,0 %	287	3.07%	0 à 100	50%	4	525	183%
	10,0 to < 100 %	2	n.s.	0 à 100	n.s.	n.s.	7	n.s.
SUB-TOTAL		**57,422**	**0.04%**		**2%**	**2**	**948**	**2%**
Insitutions	0,00 to < 0,15 %	21,900	0.05%	1000 à 10000	25%	1	3,782	17%
	0,15 to < 0,25 %	1,260	0.18%	100 à 1000	44%	1	469	37%
	0,25 to < 0,50 %	1,375	0.34%	100 à 1000	47%	1	749	54%
	0,50 to < 0,75 %	96	0.70%	0 à 100	45%	1	67	70%
	0,75 to < 2,50 %	430	1.20%	100 à 1000	49%	1	381	89%
	2,50 to < 10,0 %	175	5.24%	100 à 1000	59%	1	306	175%
	10,0 to < 100 %	-	-	0 à 100	-	-	-	-
SUB-TOTAL		**25,237**	**0.13%**		**28%**	**1**	**5,756**	**23%**
Corporates	0,00 to < 0,15 %	68,322	0.06%	1000 à 10000	32%	1	10,733	16%
	0,15 to < 0,25 %	6,123	0.18%	1000 à 10000	37%	2	2,341	38%
	0,25 to < 0,50 %	6,166	0.35%	1000 à 10000	35%	3	3,019	49%
	0,50 to < 0,75 %	2,912	0.69%	100 à 1000	32%	4	2,078	71%
	0,75 to < 2,50 %	4,312	1.45%	1000 à 10000	50%	2	4,964	115%
	2,50 to < 10,0 %	1,883	4.73%	1000 à 10000	43%	2	2,731	145%
	10,0 to < 100 %	330	15.31%	100 à 1000	34%	2	633	192%
	100 % (defaults)	204	100.00%	0 à 100			1	0%
SUB-TOTAL		**90,253**	**0.55%**		**33%**	**2**	**26,500**	**29%**
Retail		**0**	**n.s.**		**n.s.**	**n.s.**	**0**	**n.s.**
TOTAL		**172,912**	**0.32%**		**22%**	**2**	**33,203**	**19%**

Update of the 2020 Universal registration document, table 71 page 421.

► TABLE 71: STANDARDISED BILATERAL COUNTERPARTY CREDIT RISK EXPOSURE AT DEFAULT (EU CCR3)

	30 June 2021								
	EAD								
Risk weight *In millions of euros*	0%	20%	35%	50%	75%	100%	150%	Total	RWAs
Central governments or central banks	-	-	-	29	-	1	-	**29**	**15**
Institutions	-	202	-	42	-	6	-	**249**	**67**
Corporates	14	30	0	84	-	1,173	27	**1,328**	**1,244**
Retail	-	-	-	-	3	-	-	**3**	**2**
TOTAL	**14**	**232**	**0**	**154**	**3**	**1,180**	**27**	**1,610**	**1,329**

	31 December 2020								
	EAD								
Risk weight *In millions of euros*	0%	20%	35%	50%	75%	100%	150%	Total	RWAs
Central governments or central banks	-	-	-	68	-	4	-	**73**	**39**
Institutions	-	179	-	42	-	16	-	**238**	**73**
Corporates	-	13	-	53	-	1,438	19	**1,524**	**1,495**
Retail	-	-	-	-	11	-	-	**11**	**8**
TOTAL	**-**	**193**	**-**	**164**	**11**	**1,458**	**19**	**1,845**	**1,615**

Update of the 2020 Universal registration document, table 73 page 422.

► TABLE 73 : EXPOSURES TO CCPs (EU CCR8)

		30 June 2021		31 December 2020	
	En millions d'euros	EAD	RWAs	EAD	RWAs
1	**Exposures to QCCPs (total)**		**2,954**		**3,333**
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	24,769	1,433	21,798	1,230
3	*of which OTC derivatives*	*3,815*	*94*	*4,539*	*91*
4	*of which exchange-traded derivatives*	*18,493*	*1,084*	*16,049*	*1,116*
5	*of which SFTs(*)*	*2,461*	*255*	*1,209*	*24*
8	Non-segregated initial margin	11,829	300	14,328	337
9	Prefunded default fund contributions	4,147	1,222	4,372	1,713
10	Unfunded default fund contributions	7,755	-		
11	**Exposures to non-QCCPs (total)**		**3**		-
18	Non-segregated initial margin	*3*	*3*	-	-
19	Prefunded default fund contributions	*0*	*0*	-	-

(*) Securities Financing Transactions

Update of the 2020 Universal registration document, table 74 page 423.

► TABLE 74: CVA RISK CAPITAL CHARGE (EU CCR2)

	30 June 2021		31 December 2020	
In millions of euros	EAD	RWAs	EAD	RWAs
Advanced approach	**47,523**	**3,064**	**35,994**	**2,486**
CVA VaR charge		482		796
CVA SVaR charge		2,582		1,690
Standardised approach	**417**	**399**	**462**	**324**
TOTAL	**47,940**	**3,463**	**36,455**	**2,810**

Update of the 2020 Universal registration document, table 75 page 423.

► TABLE 75 : COMPOSITION OF COLLATERAL FOR CCR EXPOSURES (EU CCR5)

	30 June 2021					
	Collateral used in derivative transactions				Collateral used in SFTs(*)	
	Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received	Fair value of posted collateral
In millions of euros	Segregated	Unsegregated	Segregated	Unsegregated		
Cash – domestic currency	-	31,739	2,667	38,241	190,043	191,249
Cash – other currencies	-	23,272	1,586	19,732	328,113	280,330
Domestic sovereign debt-euro	3,479	5,564	15,363	9,680	241,030	234,499
Other sovereign debt	4,003	3,227	8,368	5,160	329,571	316,311
Government agency debt	81	397	13	266	4,892	3,899
Corporate bonds	4,646	1,842	1,286	1,469	67,581	88,309
Equity securities	451		-	-	83,919	111,582
Other collateral	-	28	-	-	187	27
TOTAL	**12,660**	**66,070**	**29,283**	**74,547**	**1,245,336**	**1,226,205**

(*) Securities Financing Transactions

	31 December 2020			
	Collateral used in derivative transactions		Collateral used in SFTs(*)	
In millions of euros	Fair value of collateral received	Fair value of posted collateral	Fair value of collateral received	Fair value of posted collateral
Cash – domestic currency	33,769	55,821	119,551	134,609
Cash – other currencies	20,356	25,194	299,982	249,652
Domestic sovereign debt-euro	7,015	10,527	203,789	199,955
Other sovereign debt	4,823	7,876	262,572	304,567
Government agency and Corporate debt	11,613	8,337	74,569	86,345
Equity securities	377	-	102,028	88,594
Other collateral	183	-	737	772
TOTAL	**78,135**	**107,755**	**1,063,228**	**1,064,493**

(*) Securities Financing Transactions

Update of the 2020 Universal registration document, table 76 page 424.

► TABLE 76 : CREDIT DERIVATIVES EXPOSURES (EU CCR6)

	30 June 2021	
In millions of euros	Protection bought	Protection sold
Notionals	**517,376**	**427,305**
Single-name credit default swaps	197,417	166,037
Index credit default swaps	250,929	205,751
Total return swaps	3,925	2,168
Credit options	64,577	53,349
Other credit derivatives	528	-
Fair values	**(7,610)**	**7,024**
Positive fair value (asset)	709	7,673
Negative fair value (liability)	(8,319)	(649)

	31 December 2020			
	Credit derivative hedges		Other credit derivatives	
In millions of euros	Protection bought	Protection sold	Protection bought	Protection sold
Notionals	**8,664**	**4,057**	**505,347**	**418,376**
Single-name credit default swaps	3,503	663	206,777	176,985
Index credit default swaps	3,843	2,074	243,747	190,840
Total return swaps	-	-	2,594	1,052
Credit options	1,319	1,319	51,821	49,499
Other credit derivatives	-	-	408	-
Fair values	**(193)**	**83**	**(6,915)**	**6,486**
Positive fair value (asset)	18	86	899	7,330
Negative fair value (liability)	(211)	(3)	(7,815)	(844)

Update of the 2020 Universal registration document, table 78 page 425.

► TABLE 78: COUNTERPARTY CREDIT RWA MOVEMENTS BY KEY DRIVER (EU CCR7)

2d quarter 2021

	RWAs - Counterparty credit risk		Capital Requirements - Counterparty credit risk	
In millions of euros	Total	of which internal model method (IMM)	Total	of which internal model method (IMM)
31 March 2021	**41,763**	**33,418**	**3,341**	**2,673**
Asset size	(1,161)	(656)	(93)	(52)
Asset quality	(558)	(731)	(45)	(58)
Model update	2,558	2,058	205	165
Methodology and policy	(4)	(4)	0	0
Acquisitions and disposals	-	-	-	-
Currency	(5)	0	0	0
Other	(716)	2	(57)	1
30 June 2021	**41,886**	**34,087**	**3,349**	**2,727**

1st semester 2021

	RWAs - Counterparty credit risk		Capital Requirements - Counterparty credit risk	
In millions of euros	Total	of which internal model method (IMM)	Total	of which internal model method (IMM)
31 December 2020	**40,961**	**33,164**	**3,277**	**2,653**
Asset size	688	1,142	55	91
Asset quality	(1,149)	(972)	(92)	(78)
Model update	2,288	769	183	62
Methodology and policy	(4)	(4)	0	0
Acquisitions and disposals	(1)	-	0	-
Currency	(3)	0	0	0
Other	(914)	(12)	(73)	(1)
30 June 2021	**41,866**	**34,087**	**3,349**	**2,727**

MARKET RISK

Update of the 2020 Universal registration document, table 80 page 427.

► TABLE 80: MARKET RISK UNDER THE INTERNAL MODEL APPROACH (EU MR2-A)

		30 June 2021		31 December 2020	
	In millions of euros	RWAs	Capital requirements	RWAs	Capital requirements
1	**VaR (higher of values a and b)**	**5,107**	**409**	**6,974**	**558**
1.a	Previous day's VaR (VaRt-1)		126		172
1.b	Multiplication factor (mc) x average of previous 60 working days (VaRavg)		409		558
2	**SVaR (higher of values a and b)**	**13,728**	**1,098**	**12,198**	**976**
2.a	Latest available SVaR (SVaRt-1))		345		289
2.b	Multiplication factor (ms) x average of previous 60 working days (sVaRavg)		1,098		976
3	**IRC (higher of values a and b)**	**3,164**	**253**	**3,268**	**261**
3.a	Most recent IRC measure		226		238
3.b	12 weeks average IRC measure		253		261
4	**Comprehensive risk measure (higher of values a, b and c)**	**495**	**40**	**675**	**54**
4.a	Most recent risk measure of comprehensive risk measure		40		44
4.b	12 weeks average of comprehensive risk measure		38		54
4.c	Comprehensive risk measure Floor		37		35
6	**TOTAL**	**22,495**	**1,800**	**23,114**	**1,849**

(*) VaR, SVaR and IRC include all the components taken into account in the calculation of RWA.

(**) Incremental Risk Charge.

(***) Comprehensive Risk Measure.

Update of the 2020 Universal registration document, table 81 page 427.

► TABLE 81: MARKET RISK UNDER THE STANDARDISED APPROACH (EU MR1)

		30 June 2021		31 December 2020	
	In millions of euros	RWAs	Capital requirements	RWAs	Capital requirements
	Outright products				
1	Interest rate risk (general and specific)	372	30	337	27
2	Equity risk (general and specific)	0	0	0	-
3	Foreign exchange risk	650	52	675	54
	Options				
7	Scenario approach	27	2	30	2
8	**Securitisation (specific risk)**	**853**	**68**	**1,054**	**84**
9	**TOTAL**	**1,901**	**152**	**2,096**	**168**

Update of the 2020 Universal registration document, table 82 page 428.

► TABLE 82: MARKET RISK-WEIGHTED ASSETS MOVEMENTS BY KEY DRIVER (EU MR2-B)

Movement of 2nd quarter 2021

	In millions of euros	VaR	SVaR	IRC(*)	CRM(**)	Others	Standardised approach	Total RWAs	Total capital requirements
1	**31 march 2021**	**8,394**	**13,667**	**3,519**	**715**	**-**	**2,332**	**28,626**	**2,290**
2.a	Asset size	(252)	168	(93)	(338)	-	(150)	**(664)**	(53)
2.b	Asset quality	(3,000)	(81)	(72)	118	-	-	**(3,035)**	(243)
3	Model update	(19)	(18)	(17)	-	-	-	**(54)**	(4)
4	Methodology and policy	-	-	-	-	-	-	**-**	-
5	Acquisitons and disposals	-	-	-	-	-	(1)	**(1)**	()
6	Currency	-	-	-	-	-	-	**-**	-
7	Other	(16)	(7)	(171)	-	-	(279)	**(475)**	(38)
8	**30 june 2021**	**5,107**	**13,728**	**3,164**	**495**	**-**	**-**	**24,397**	**1,952**

(*) Incremental Risk Charge.

(**) Comprehensive Risk Measure.

Movement of 1st semester 2021

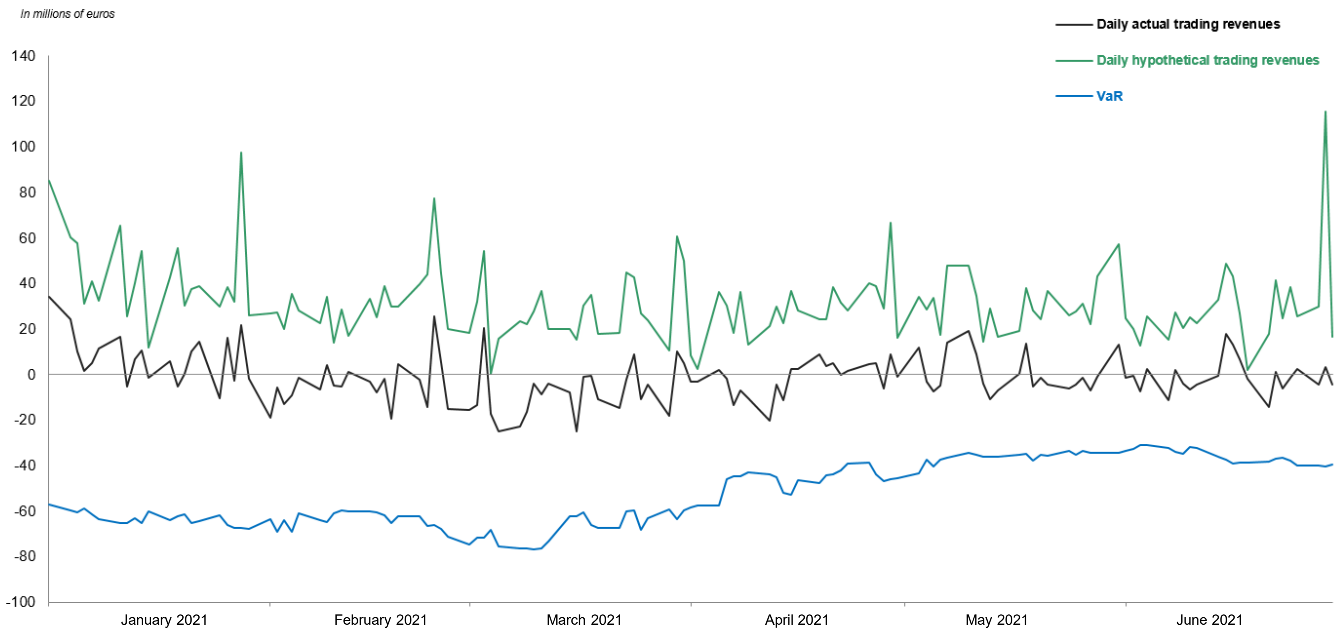
	In millions of euros	VaR	SVaR	IRC(*)	CRM(**)	Other	Standardised approach	Total RWAs	Total capital requirements
1	**31 december 2020**	**6,974**	**12,198**	**3,268**	**675**	**-**	**2,096**	**25,210**	**2,017**
2.a	Asset size	1,304	685	171	(380)	-	(112)	**1,668**	133
2.b	Asset quality	(3,158)	839	(28)	201	-	-	**(2,146)**	(172)
3	Model update	(12)	(10)	(21)	-	-	-	**(42)**	(3)
4	Methodology and policy	-	-	-	-	-	-	**-**	-
5	Acquisitons and disposals	-	-	-	-	-	(6)	**(6)**	()
6	Currency	-	-	-	-	-	-	**-**	-
7	Other	(1)	16	(226)	0	-	(77)	**(287)**	(23)
8	**30 june 2021**	**5,107**	**13,728**	**3,164**	**495**	**-**	**1,902**	**24,397**	**1,952**

(*) Incremental Risk Charge.

(**) Comprehensive Risk Measure.

Update of the 2020 Universal registration document, Figure 11 page 433.

► FIGURE 11: COMPARISON BETWEEN VAR (1 DAY, 99%) AD DAILY TRADING REVENUE (EU MR4)



Update of the 2020 Universal registration document, table 86 page 436.

► TABLE 86 : IMA VALUES FOR TRADING PORTFOLIOS (EU MR3)

	In millions of euros	30 June 2021	31 December 2020
	VaR (10 jours, 99 %)		
1	Maximum value	214	226
2	Average value	140	142
3	Minimum value	81	68
4	Period end	110	148
	SVaR (10 jours, 99 %)		
5	Maximum value	390	379
6	Average value	313	277
7	Minimum value	253	201
8	Period end	333	264
	IRC(*) (99,9 %)		
9	Maximum value	289	307
10	Average value	216	199
11	Minimum value	153	102
12	Period end	183	192
	CRM(**) (99,9 %)		
13	Maximum value	66	91
14	Average value	46	48
15	Minimum value	20	12
16	Period end	40	44

(*) Incremental Risk Charge.

(**) Comprehensive Risk Measure.

Securitisation positions in the trading book

SECURITISATION EXPOSURES IN THE TRADING BOOK (EU SEC2)

	30 June 2021					
	Investor					
	EAD			RWA		
	Traditional		Synthetic	Traditional		Synthetic
In millions of euros	STS	Non-STS		STS	Non-STS	
Retail	**61**	**112**	**5**	**42**	**55**	**2**
residential mortgage	46	50	5	8	20	2
credit card	0	21	0	-	5	-
other retail exposures	15	41	0	34	31	-
Wholesale	**16**	**574**	**-**	**19**	**735**	**-**
loans to corporates	1	393	0	0	578	-
lease and receivables	15	174	0	19	149	-
other wholesale	0	7	0	-	8	-
TOTAL	**77**	**686**	**5**	**61**	**790**	**2**

	31 December 2020					
	Investor					
	EAD			RWA		
	Traditional		Synthetic	Traditional		Synthetic
In millions of euros	STS	Non-STS		STS	Non-STS	
Retail	**52**	***151***	***6***	**39**	**96**	**3**
residential mortgage	40	*117*	*6*	6	74	3
credit card	0	*29*	*0*	-	8	-
other retail exposures	12	*4*	*0*	33	14	-
Wholesale	**19**	***667***	**-**	**3**	**913**	**-**
loans to corporates	1	*485*	*0*	0	761	-
lease and receivables	18	*181*	*0*	3	152	-
other wholesale	0	*0*	*0*	-	0	-
TOTAL	**71**	**817**	**6**	**42**	**1,009**	**3**

Interest rate risk

Sensitivity of revenues to global interest rate risk

Sensitivities are calculated on the total banking book. They factor in the direct impacts of market rates and business trends over a period of up to three years. In addition, indirect effects on commercial activity linked to changes in outstandings and customer rates, notably the effects of inertia on margins of changes in interest rates (tightening – or widening – of margins on loans with an upward – or downward – in interest rate moves and conversely on deposits) are taken into account.

In a very low or negative interest rate environment, the effects of a 0% floor on customer deposit rates led to an increase in non-interest bearing current accounts. These increases in non-interest-bearing current account balances, that are deemed temporary, are invested over prudent horizons. Sensitivities take into account hedging transactions limiting negative impacts related to holding interest rates at their current level or lower level, as well as the change in income from liquidity surpluses placed with the ECB.

The consolidated indicator is presented in the table hereafter. Over one-, two- and three-year timeframes, the sensitivity of revenues to a parallel, instantaneous and definitive increase in market rates of 50 basis points (+0.5%) across all currencies has an impact of respectively - EUR 115 million, + EUR 234 million and + EUR 611 million, on the Group's revenues.

► SENSIBILITY OF THE INTEREST MARGIN - SCENARIO PARALLEL SHOCK OF +/- 50 BP (IRRBB1)

	30 June 2021		
In millions of euros	Year 1	Year 2	Year 3
For a + 50 bp shock (+0.50%)	(115)	234	611
For a - 50 bp shock (-0.50%)	147	(260)	(528)

Sensitivity of the value of the net assets of the banking intermediation activity

As the assets and liabilities of the Group's banking intermediation business are not intended to be sold, they are not recognised or managed based on their theoretical economic value measured by discounting future cash flows. Similarly, the theoretical economic value of the net assets does not affect the Group's capital.

However, pursuant to the regulatory requirements and calculation methods laid down by the European Banking Authority (EBA), the ratios of sensitivity of the theoretical economic value of the net assets of the intermediation business in relation to Tier 1 capital are regularly calculated. The EBA defined 6 scenarios in interest rates (i.e. increase, decrease and with steepening or flattening of the interest rate curve) and thresholds for risk-free rates by maturity (interpolated yield curve between -1% for the overnight rate and 0% for the 20-year yields).

As of 30 June 2021, the Group sensitivity ratios are far below the regulatory materiality threshold of 15%.

► SENSIBILITY OF THE ECONOMIC VALUE OF EQUITY (TIER 1) ACCORDING TO THE 6 REGULATORY SHOCK SCENARIOS (IRRBB2)

				30 June 2021
		Shock in interest rates(*)		
In millions of euros		Overnight rate	10-year rate	Change of the economic value of equity (TIER 1)
1	Parallel up	+2.00%	-2.00%	-9.1%
2	Parallel down	-0.45%	-0.55%	-0.9%
3	Steepener (decrease in short term rates, increase in long term rates)	-0.45%	+0.70%	-0.2%
4	Flattener (increase in short term rates, decrease in long term rates)	+2,00%	-0.40%	-1.9%
5	Short rates up	+2.50%	+0.20%	-3.4%
6	Short rates down	-0.45%	-0.20%	+0.8%

(*) *Changes in rates level (OIS swaps) applied for each scenario after floor (for EUR)*

LIQUIDITY RISK

Update of the 2020 Universal registration document, table 97 p. 450.

▶ TABLE 97: SHORT-TERM LIQUIDITY RATIO (LCR)(*) - ITEMISED (EU LIQ1)

		Unweighted value				Weighted value			
	In millions of euros	30 June 2021	31 March 2021	31 December 2020	30 September 2020	30 June 2021	31 March 2021	31 December 2020	30 September 2020
	Number of data points used in the calculation of averages	12	12	12	12	12	12	12	12
	HIGH QUALITY LIQUID ASSETS (HQLA)								
1	**TOTAL HIGH QUALITY LIQUID ASSETS**					**450,338**	**431,116**	**402,229**	**364,708**
	CASH OUTFLOWS								
2	Retail deposits (including small businesses)	405,678	399,018	387,214	375,480	29,957	29,254	28,510	27,787
3	*of which stable deposits*	*244,011*	*240,874*	*236,283*	*232,446*	*12,201*	*12,044*	*11,814*	*11,622*
4	*of which less stable deposits*	*149,093*	*144,146*	*139,998*	*135,331*	*17,756*	*17,211*	*16,633*	*16,024*
5	Unsecured non-retail funding	391,937	419,696	435,870	447,005	250,746	248,014	241,495	232,003
6	*of which operational deposits*	*147,770*	*144,022*	*138,861*	*134,853*	*36,243*	*35,307*	*34,031*	*33,019*
7	*of which non-operational deposits*	*228,661*	*262,013*	*283,845*	*299,382*	*198,997*	*199,047*	*194,299*	*186,214*
8	*of which unsecured debt*	*15,505*	*13,661*	*13,165*	*12,770*	*15,505*	*13,661*	*13,165*	*12,770*
9	Secured non-retail funding (of which repos)					74,022	71,396	68,179	66,268
10	Additional requirements	350,010	343,937	336,410	327,797	88,486	85,973	82,605	78,133
11	*of which outflows related to derivative exposures and other collateral requirements*	*45,536*	*45,246*	*43,221*	*39,365*	*45,376*	*45,148*	*43,123*	*39,277*
12	*of which outflows on secured debt*	*297*	*104*	*81*	*77*	*297*	*104*	*81*	*77*
13	*of which credit and liquidity facilities*	*304,177*	*298,587*	*293,108*	*288,356*	*42,813*	*40,721*	*39,400*	*38,779*
14	Other contractual funding obligations	60,536	58,081	57,167	54,476	60,620	58,158	57,212	54,508
15	Other contingent funding obligations	164,715	160,594	154,854	131,130	2,493	2,502	2,898	3,318
16	**TOTAL CASH OUTFLOWS**					**506,324**	**495,297**	**480,898**	**462,016**
	CASH INFLOWS								
17	Secured lending (of which reverse repos)	404,374	392,436	382,821	375,454	67,823	64,622	63,377	63,878
18	Inflows from fully performing exposures	83,747	83,677	83,900	84,163	62,010	61,542	61,541	61,552
19	Other cash inflows	59,553	61,934	64,851	62,199	53,600	55,782	58,372	55,319
20	**TOTAL CASH INFLOWS**	**547,673**	**538,047**	**531,572**	**521,816**	**183,433**	**181,946**	**183,290**	**180,748**
20c	Inflows subject to 75% cap	397,964	396,989	404,821	409,331	183,433	181,946	183,290	180,748
21	**LIQUIDITY BUFFER**					**450,338**	**431,116**	**402,229**	**364,708**
22	**TOTAL NET CASH OUTFLOWS**					**322,891**	**313,351**	**297,609**	**281,268**
23	**LIQUIDITY COVERAGE RATIO (%)**					**139.76%**	**137.70%**	**134.82%**	**129.24%**

(*) The data presented in this table are calculated as the rolling average over the twelve latest month-end values.

The Group's year-over-year average monthly LCR stands at 139,76%, which corresponds to a liquidity surplus of EUR 127 billion compared with the regulatory requirement. The Group ratio averaged between 129,24% and 139,76%.

After application of the regulatory haircuts (weighted values), the Group's year-over-year average monthly liquid assets amount to EUR 450 billion, and mainly consist of central bank deposits (74% at the end of June) and government and sovereign bonds (26%).

Year-over-year average monthly cash outflows under the thirty-day liquidity stress scenario amount to EUR 323 billion, a large part of which corresponds to thirty-day deposit outflow assumptions of EUR 281 billion. Reciprocally, cash inflows on loans under the thirty-day liquidity regulatory stress scenario amount to EUR 62 billion.

Cash flows on financing transactions and collateralised loans representing repurchase agreements and securities exchanges record net year-over-year average monthly inflows of EUR 6 billion, given the regulatory haircuts applied to collaterals. Flows linked to derivative instruments and regulatory stress tests record net outflows of EUR 18 billion after netting of cash outflows (EUR 45 billion) and inflows (EUR 27 billion).

Lastly, the year-over-year average monthly drawdown assumptions on financing commitments amount to EUR 43 billion.

There is no excessive imbalance on any significant currency.

Update of the 2020 Universal registration document, table 98 page 452.

► TABLE N° 95 : MATURITY OF EXPOSURES (EU CR1-A)

	30 June 2021					
	Net exposure value					
In millions of euros	On demand	<= 1 year	> 1 year <= 5 years	> 5 years	No stated maturity	Total
Loans and advances	131,974	445,068	340,708	255,138	0	1,172,888
Debt securities	106	24,506	60,986	79,836	176,268	341,701
TOTAL	**132,080**	**469,574**	**401,694**	**334,974**	**176,268**	**1,514,589**

	31 December 2020					
	Net exposure value					
In millions of euros	On demand	<= 1 year	> 1 year <= 5 years	> 5 years	No stated maturity	Total
Loans and advances	54,206	461,785	333,268	250,657	0	1,099,916
Debt securities	329	23,645	69,567	84,477	125,431	303,448
TOTAL	**54,535**	**485,430**	**402,835**	**335,133**	**125,431**	**1,403,364**

▸ NET STABLE FUNDING RATIO (EU LIQ2)

						30 June 2021
		Unweighted value by residual maturity				
	In millions of euros	No maturity	< 6 months	6 months to < 1yr	≥ 1yr	Weighted value
	Available stable funding (ASF) Items					
1	Capital items and instruments	109,283	-	39	20,055	129,338
2	*Own funds*	*109,283*	-	*39*	*20,055*	*129,338*
3	*Other capital instruments*		-	-	-	-
4	Retail deposits		415,493	1,573	4,905	392,892
5	*Stable deposits*		*251,813*	*722*	*1,677*	*241,585*
6	*Less stable deposits*		*163,680*	*851*	*3,229*	*151,307*
7	Wholesale funding:		1,100,499	38,841	259,638	527,448
8	*Operational deposits*		*157,091*	*19*	*438*	*78,993*
9	*Other wholesale funding*		*943,407*	*38,822*	*259,200*	*448,455*
10	Interdependent liabilities		13,216	-	-	-
11	Other liabilities:	53,397	174,956	843	22,529	22,950
12	*NSFR derivative liabilities*	*53,397*				
13	*All other liabilities and capital instruments not included in the above categories*		*174,956*	*843*	*22,529*	*22,950*
14	**Total available stable funding (ASF)**					**1,072,628**
	Required stable funding (RSF) Items					
15	Total high-quality liquid assets (HQLA)					32,777
15a	Assets encumbered for a residual maturity of one year or more in a cover pool		267	263	8,482	7,660
16	Deposits held at other financial institutions for operational purposes		306	-	14	167
17	Performing loans and securities:		520,395	101,651	635,562	690,058
18	*Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut*		195,019	11,894	5,422	19,206
19	*Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions*		148,538	13,788	2,343	20,094
20	*Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:*		126,394	64,626	346,417	405,927
21	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		-	-	-	-
22	*Performing residential mortgages, of which:*		2,398	2,422	194,838	154,893
23	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		2,398	2,422	194,838	154,893
24	*Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products*		48,046	8,920	86,543	89,938
25	Interdependent assets		13,216	-	-	-
26	Other assets:					
27	*Physical traded commodities*				-	-
28	*Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs*		28,364			24,109
29	*NSFR derivative assets*		15,145			15,145
30	*NSFR derivative liabilities before deduction of variation margin posted*		87,873			4,394
31	*All other assets not included in the above categories*		40,328	2,481	83,791	94,351
32	Off-balance sheet items		358,627	11,237	27,418	21,647
33	**Total RSF**					**890,308**
34	**Net Stable Funding Ratio (%)**					**120.48%**

APPENDIX 1

► REGULATORY CAPITAL ACCORDING TO ANNEX VI OF IMPLEMENTING REGULATION (EU) NO. 1423/2013 (EU CC1)

In millions of euros		30 June 2021(*)	31 December 2020(*)	Reference to table 10	Notes
Common Equity Tier 1 (CET1) capital: instruments and reserves					
1	Capital instruments and the related share premium accounts	27,133	27,133	6	
	of which: Instrument type 1	*27,133*	*27,133*		
2	Retained earnings	74,868	69,621	6	
3	Accumulated other comprehensive income (and other reserves)	320	(252)		
3a	Funds for general banking risk	-	-		
4	Amount of qualifying items referred to in Article 484 (3) and the related share premium accounts subject to phase out from CET1	-	-		
5	Minority interests (amount allowed in consolidated CET1)	1,481	1,684	8	(1)
5a	Independently reviewed interim profits net of any foreseeable charge or dividend	2,238	5,247	7	(2)
6	**Common Equity Tier 1 (CET1) capital before regulatory adjustments**	**106,040**	**103,433**		
Common Equity Tier 1 (CET1) capital: regulatory adjustments					
7	Additional value adjustments (negative amount)	(1,658)	(1,399)		
8	Intangible assets (net of related tax liability) (negative amount)	(10,058)	(10,039)	3	(3)
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38 (3) are met) (negative amount)	(377)	(385)		
11	Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value	(1,155)	(1,440)		
12	Negative amounts resulting from the calculation of expected loss amounts	(319)	(333)		
13	Any increase in equity that results from securitised assets (negative amount)	-	-		
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	300	303		
15	Defined-benefit pension fund assets (negative amount)	(316)	(206)		(3)'
16	Direct and indirect holdings by an institution of own CET1 instruments (negative amount)	(55)	(41)		
17	Direct, indirect and synthetic holdings of the CET 1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	-		
18	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	-		
19	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	-		
20a	Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative	(166)	(186)		
20b	*of which: qualifying holdings outside the financial sector (negative amount)*	-	-		
20c	*of which: securitisation positions (negative amount)*	*(166)*	*(186)*		
20d	*of which: free deliveries (negative amount)*	-	-		
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in Article 38 (3) are met) (negative amount)	-	-		
22	Amount exceeding the 17,65% threshold (negative amount)	-	-		
23	*of which: direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities*	-	-		
25	*of which: deferred tax assets arising from temporary differences*	-	-		
25a	Losses for the current financial year (negative amount)	-	-		
25b	Foreseeable tax charges relating to CET1 items except where the institution suitably adjusts the amount of CET1 items insofar as such tax charges reduce the amount up to which those items may be used to cover risks or losses (negative amount)	-	-		
27	Qualifying AT1 deductions that exceed the AT1 items of the institution (negative amount)	-	-		
27a	Other regulatory adjusments(**)	(1,101)	(941)		
28	**Total regulatory adjustments to Common Equity Tier 1 (CET1)**	**(14,904)**	**(14,666)**		
29	**Common Equity Tier 1 (CET1) capital**	**91,137**	**88,767**		

	In millions of euros	30 June 2021(*)	31 December 2020(*)	Reference to table 10	Notes
Additional Tier 1 (AT1) capital: instruments(***)					
30	Capital instruments and the related share premium accounts	8,241	8,534		
31	*of which: classified as equity under applicable accounting standards*	*9,211*	*10,021*		
32	*of which: classified as liabilities under applicable accounting standards*	*205*	*205*		
33	Amount of qualifying items referred to in Article 484 (4) and the related share premium accounts subject to phase out from AT1 as described in Article 486(3) of CRR	1,012	1,692	4	(4)
34	Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interests not included in row 5) issued by subsidiaries and held by third parties	263	298		
35	*of which: instruments issued by subsidiaries subject to phase out*	-	-		
36	**Additional Tier 1 (AT1) capital before regulatory adjustments**	**9,515**	**10,524**		
Additional Tier 1 (AT1) capital: regulatory adjustments		**-**	**-**		
37	Direct and indirect holdings by an institution of own AT1 instruments (negative amount)	(40)	(35)		
38	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	-		
39	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	-		
40	Direct, indirect and synthetic holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	(450)	(450)		
42	Qualifying T2 deductions that exceed the T2 items of the institution (negative amount)	-	-		
42a	Other regulatory adjustments to AT1 capital	-	-		
43	**Total regulatory adjustments to Additional Tier 1 (AT1) capital**	**(490)**	**(485)**		
44	**Additional Tier 1 (AT1) capital**	**9,025**	**10,040**		
45	**Tier 1 capital (T1 = CET1 + AT1)**	**100,162**	**98,806**		
Tier 2 (T2) capital: instruments and provisions		-	-		
46	Capital instruments and the related share premium accounts(***)	19,095	18,443	5	(5)
47	Amount of qualifying items referred to in Article 484 (5) and the related share premium accounts subject to phase out from T2 as described in Article 486 (4) CRR	164	-		
47a	Amount of qualifying items referred to in Article 494a (2) subject to phase out from T2	31	61	5	(5)
47b	Amount of qualifying items referred to in Article 494b (2) subject to phase out from T2	114	118	5	(5)
48	Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties	192	232		
49	*of which: instruments issued by subsidiaries subject to phase out*	-	-		
50	Credit risk adjustments	362	142		
51	**Tier 2 (T2) capital before regulatory adjustments**	**19,958**	**18,995**		
Tier 2 (T2) capital: regulatory adjustments		-	-		
52	Direct and indirect holdings by an institution of own T2 instruments and subordinated loans (negative amount)	(126)	(140)		
53	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	-		
54	Direct and indirect holdings of the T2 instruments and subordinated loans of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	-		
55	Direct and indirect holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	(3,116)	(3,116)	1	(6)
56a	Qualifying eligible liabilities deductions that exceed the eligible liabilities items of the institution (negative amount)	-	-		
56b	Other regulatory adjustments to T2 capital	(819)	(715)		
57	**Total regulatory adjustments to Tier 2 (T2) capital**	**(4,062)**	**(3,971)**		
58	**Tier 2 (T2) capital**	**15,896**	**15,024**		
59	**Total capital (TC = T1 + T2)**	**116,058**	**113,830**		
60	**Total risk-weighted assets**	**704,665**	**695,523**		

In millions of euros		30 June 2021(*)	31 December 2020(*)	Reference to table 10	Notes
Capital ratios and buffers					
61	Common Equity Tier 1 (as a percentage of total risk exposure amount)	12.93%	12.76%		
62	Tier 1 (as a percentage of total risk exposure amount)	14.21%	14.21%		
63	Total capital (as a percentage of total risk exposure amount)	16.47%	16.37%		
64	Institution CET1 overall capital requirement (CET1 requirement in accordance with Article 92 (1) CRR, plus additional CET1 requirement which the institution is required to hold in accordance with point (a) of Article 104(1) CRD, plus combined buffer requirement in accordance with Article 128(6) CRD) expressed as a percentage of risk exposure amount)	4.03%	4.02%		
65	*of which: capital conservation buffer requirement*	*2.50%*	*2.50%*		
66	*of which: countercyclical buffer requirement*	*0.03%*	*0.02%*		
67	*of which: systemic risk buffer requirement*	*0.00%*	*0.00%*		
67a	*of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer*	*1.50%*	*1.50%*		
68	Common Equity Tier 1 available to meet buffer (as a percentage of risk exposure amount)	7.22%	6.82%		
Amounts below the thresholds for deduction (before risk weighting)		-	-		
72	Direct and indirect holdings of own funds and eligible liabilities of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	5,052	5,260	2	(6)
73	Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 17.65% thresholds and net of eligible short positions)	4,103	3,909	1	(6)
75	Deferred tax assets arising from temporary differences (amount below 17.65% threshold, net of related tax liability where the conditions in Article 38 (3) are met)	2,745	2,895		
Applicable caps on the inclusion of provisions in Tier		-	-		
76	Credit risk adjustments included in T2 in respect of exposures subject to standardised approach (prior to the application of the cap)	-	-		
77	Cap on inclusion of credit risk adjustments in T2 under standardised approach	2,787	2,666		
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)	-	-		
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	1,937	1,842		
Capital instruments subject to phase out arrangements (only applicable between 1 Jan 2013 and 1 Jan 2022)		-	-		
80	Current cap on CET1 instruments subject to phase out arrangements	-	-		
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	-	-		
82	Current cap on AT1 instruments subject to phase out arrangements	1,012	2,023		
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	(164)	-		
84	Current cap on T2 instruments subject to phase out arrangements	185	371		
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	-	-		

(*) In accordance with the transitional arrangements on the introduction of the IFRS 9 accounting standard (article 473a of Regulation (EU) No. 2017/2395 and Regulation (EU) No. 2020/873)

(**) This amount includes the 29% additional restitution project of 2020 expected after the end of September 2021, subject to the necessary agreements as well as adjustments related to the transitional provisions IFRS 9.

(***) According to the eligibility rules of debt instruments grandfathered in additional Tier 1 equity and Tier 2 equity applicable in 2021.

(1) Minority interests are adjusted for their capitalisation surplus for regulated entities. For the other entities, minority interests are not recognized. Starting from 30 June 2021, minority interest of regulated entities with local supervision not equivalent to the CRR are not recognised.

(2) Deductions from net income for the period relate mainly to the proposed dividend distribution.

(3) The deduction of intangible assets is calculated net of deferred tax liabilities and pension plans.

(4) Tier 1 capital instruments issued by subsidiaries include subordinated debt, as well as preferred shares recognised in equity.

(5) A prudential discount is applied to Tier 2 capital instruments with less than five years of residual maturity.

(6) Holdings of equity instruments in financial institutions are recorded in the banking book, as detailed in the consolidated accounting balance sheet to the prudential balance sheet reconciliation, as well as in the trading book

APPENDIX 2

► INSTITUTION-SPECIFIC COUNTERCYCLICAL CAPITAL BUFFER

In millions of euros		30 June 2021
010	Total risk-weighted assets	704,665
020	BNP Paribas countercyclical capital buffer rate	0.03%
030	Countercyclical capital buffer requirement	202

► GEOGRAPHICAL DISTRIBUTION OF CREDIT EXPOSURES RELEVANT FOR THE CALCULATION OF THE COUNTERCYCLICAL CAPITAL BUFFER (CCyB1)

	30 June 2021											30 June 2022
	General credit exposures		Relevant credit exposures – Market risk			Own fund requirements						
In millions of euros	Exposure value under the standardised approach	Exposure value under the IRB approach	Exposure value under the standardised approach	Exposure value under the IRB approach	Securitisation exposures Exposure value for non-trading book	Of which credit risk exposure	Of which market risk exposure	Of which securitisation positions	Total	Own fund requirements weights (%)	Countercyclical buffer rate (%)	Countercyclical buffer rate (%) annonced[**]
Breakdown by country												
Europe[*]	**186,327**	**683,679**			**45,800**	**33,677**	**1,808**	**768**	**36,253**	**76%**		
of which Bulgaria	410	158			-	33	-	-	33	0%	0.50%	0.50%
of which Luxembourg	2,468	34,820			-	1,543	0	-	1,543	3%	0.50%	0.50%
of which Norway	464	2,822			-	98	-	-	98	0%	1.00%	1.00%
of which Czech Republic	807	331			-	65	-	-	65	0%	0.50%	0.50%
of which Slovakia	133	127			-	10	-	-	10	0%	1.00%	1.00%
North America	**54,815**	**81,387**			**15,002**	**5,483**	**46**	**252**	**5,781**	**12%**		
Asia Pacific	**5,875**	**49,418**			**2,098**	**2,712**	**-**	**26**	**2,738**	**6%**		
of which Hong Kong	936	7,536			94	428	-	1	429	1%	1.00%	1.00%
Rest of the World	**23,717**	**32,505**			**-**	**2,832**	**4**	**-**	**2,836**	**6%**		
TOTAL	**270,734**	**846,989**	**773**		**62,900**	**44,703**	**1,858**	**1,047**	**47,607**	**100%**	**0.03%**	**0.03%**

(*) Within the European Union, the European Free Trade Association (EFTA) and the United Kingdom.

(**) According to the rates published on the ESRB website as at 30 June 2021.

RISK FACTORS

RISK FACTORS

The main categories of risk inherent in the BNP Paribas Group's business are presented below. They may be measured through risk-weighted assets or other quantitative or qualitative indicators, to the extent risk-weighted assets are not relevant (for example, for liquidity and funding risk).

	RWA		
In billions of euros	30 June 2021	31 December 2020	31 December 2019
Credit risk	546	527	524
Counterparty credit risk	42	41	30
Securitisation risk in the banking book	13	14	11
Operational risk	62	71	69
Market risk	24	25	19
Amounts below the thresholds for deduction (subject to 250% risk weight)	17	17	16
TOTAL	**705**	**696**	**669**

More generally, the risks to which the BNP Paribas Group is exposed may arise from a number of factors related, among others, to changes in its macroeconomic or regulatory environment or factors related to the implementation of its strategy and its business.

The material risks specific to the BNP Paribas Group's business, determined based on the circumstances known to the management as of the date of this amendment to the Universal Registration Document, are thus presented below under 7 main categories, in accordance with Article 16 of Regulation (EU) No. 2017/1129, known as "Prospectus 3" of 14 June 2017, the provisions of which relating to risk factors came into force on 21 July 2019: credit risk, counterparty risk and securitisation risk in the banking book; operational risk; market risk; liquidity and funding risk; risks related to the macroeconomic and market environment; regulatory risks; and risks related to the BNP Paribas Group's growth in its current environment.

The Group's risk management policies have been taken into account in assessing the materiality of these risks; in particular, risk-weighted assets factor in risk mitigation elements to the extent eligible in accordance with applicable banking regulations.

1. CREDIT RISK, COUNTERPARTY RISK AND SECURITISATION RISK IN THE BANKING BOOK

BNP Paribas Group's credit risk is defined as the probability of a borrower or counterparty defaulting on its obligations to the BNP Paribas Group. Probability of default along with the recovery rate of the loan or debt in the event of default are essential elements in assessing credit quality. In accordance with the European Banking Authority recommendations, this category of risk also includes risks on equity investments, as well as those related to insurance activities. At 31 December 2020, the BNP Paribas Group's credit risk exposure broke down as follows: corporates (41%), central governments and central banks (26%), retail customers (25%), credit institutions (5%), other items (2%) and equities (1%). At 31 December 2020, 34% of the BNP Paribas Group's credit exposure was comprised of exposures in

France, 15% in Belgium and Luxembourg, 10% in Italy, 19% in other European countries, 12% in North America, 5% in Asia and 5% in the rest of the world. The BNP Paribas Group's risk-weighted assets subject to this type of risk amounted to EUR 527 billion at 31 December 2020, or 76% of the total risk-weighted assets of the BNP Paribas Group and EUR 546 billion at 30 June 2021, or 77% of the total risk-weighted assets of the BNP Paribas Group.

BNP Paribas Group's counterparty risk arises from its credit risk in the specific context of market transactions, investments, and/or settlements. BNP Paribas Group's exposure to counterparty risk, excluding CVA (Credit Valuation Adjustment) risk at 31 December 2020, is comprised of: 42% to the corporate sector, 27% to governments and central banks, 12% to credit institutions and investment firms, and 19% to clearing houses. By product, BNP Paribas Group's exposure, excluding CVA risk, at 31 December 2020 is comprised of: 53% in OTC derivatives, 34% in repurchase transactions and securities lending/borrowing, 11% in listed derivatives and 2% in contributions to the clearing houses' default funds. The amount of this risk varies over time, depending on fluctuations in market parameters affecting the potential future value of the covered transactions. In addition, CVA risk measures the risk of losses related to CVA volatility resulting from fluctuations in credit spreads associated with the counterparties to which the BNP Paribas Group is subject to risk. The risk-weighted assets subject to counterparty credit risk amounted to EUR 41 billion at 31 December 2020, representing 6% of the BNP Paribas Group's total risk-weighted assets and EUR 42 billion at 30 June 2021, representing 6% of the BNP Paribas Group's total risk-weighted assets.

Securitisation risk in the banking book: securitisation is a transaction or arrangement by which the credit risk associated with a liability or set of liabilities is subdivided into tranches. Any commitment made by the BNP Paribas Group under a securitisation structure (including derivatives and liquidity lines) is considered to be a securitisation. The bulk of the BNP Paribas Group's commitments are in the prudential banking portfolio. Securitized exposures are essentially those generated by the BNP Paribas Group. The securitisation positions held or acquired by the BNP Paribas Group may also be categorized by its role: of the positions as at 31 December 2020, BNP Paribas was originator of 52%, was sponsor of 34% and was investor of 14%. The risk-weighted assets subject to this type of risk amounted to EUR 14 billion at 31 December 2020 for the BNP Paribas Group, or 2% of the total risk-weighted assets of the BNP Paribas Group and EUR 13 billion at 30 June 2021, representing 2% of the BNP Paribas Group's total risk-weighted assets.

1.1 A substantial increase in new provisions or a shortfall in the level of previously recorded provisions exposed to credit risk and counterparty risk could adversely affect the BNP Paribas Group's results of operations and financial condition.

Credit risk and counterparty risk impact the BNP Paribas Group's consolidated financial statements when a customer or counterparty is unable to honour its obligations and when the book value of these obligations in the BNP Paribas Group's records is positive. The customer or counterparty may be a bank, a financial institution, an industrial or commercial enterprise, a government or a government entity, an investment fund, or a natural person. If the level of irrecoverable or doubtful loans (Stage 3) increases, or provisions on performing loans (Stages 1 and 2) increase in response to a deterioration in economic conditions or other factors, BNP Paribas' profitability may be affected.

As a result, in connection with its lending activities, the BNP Paribas Group regularly establishes provisions, which are recorded on its income statement in the line item Cost of Risk. These provisions amounted to EUR 5.717 billion at 31 December 2020, representing 66 basis points of outstanding customer loans (compared with 39 basis points at 31 December 2019). The significant increase is the result of taking into account the economic consequences of the implementation of the health crisis. The provisioning of performing loans (stages 1 and 2) increased significantly by EUR 1.4 billion at 31 December 2020 compared to 31 December 2019 and is an example of the materialisation of this risk.

The BNP Paribas Group's overall level of provisions is based on its assessment of prior loss experience, the volume and type of lending being conducted, industry standards, past due loans, economic conditions and other factors related to the recoverability of various loans or statistical analysis based on scenarios applicable to asset classes.

Although the BNP Paribas Group seeks to establish an appropriate level of provisions, its lending businesses may have to increase their provisions for loan losses or sound receivables substantially in the future as a result of deteriorating economic conditions or other causes. Any significant increase in provisions for loan losses or a significant change in the

BNP Paribas Group's estimate of the risk of loss inherent in its portfolio of non-impaired loans, as well as the occurrence of loan losses in excess of the related provisions, could have a material adverse effect on the BNP Paribas Group's results of operations and financial condition.

For reference, at 31 December 2020, the ratio of doubtful loans to total loans outstanding was 2.1% and the coverage ratio of these loans (net of guarantees received) by provisions was 71.5%, compared to 2.2% and 74%, respectively, as at 31 December 2019. These two ratios are defined in 5.1 *Key figures*.

While the BNP Paribas Group seeks to reduce its exposure to credit risk and counterparty risk by using risk mitigation techniques such as collateralisation, obtaining guarantees, entering into credit derivatives and entering into netting agreements, it cannot be certain that these techniques will be effective to offset losses resulting from counterparty defaults that are covered by these techniques. Moreover, the BNP Paribas Group is also exposed to the risk of default by the party providing the credit risk coverage (such as a counterparty in a derivative or a loan insurance contract) or to the risk of loss of value of any collateral. In addition, only a portion of the BNP Paribas Group's overall credit risk and counterparty risk is covered by these techniques. Accordingly, the BNP Paribas Group has very significant exposure to these risks.

1.2 The soundness and conduct of other financial institutions and market participants could adversely affect the BNP Paribas Group.

The BNP Paribas Group's ability to engage in financing, investment and derivative transactions could be adversely affected by the soundness of other financial institutions or market participants. Financial institutions are interrelated as a result of trading, clearing, counterparty, funding or other relationships. As a result, defaults by one or more States or financial institutions, or even rumours or questions about one or more financial institutions, or the financial services industry generally, may lead to market-wide liquidity problems and could lead to further losses or defaults. The BNP Paribas Group has exposure to many counterparties in the financial industry, directly and indirectly, including clearing houses, brokers and dealers, commercial banks, investment banks, mutual and alternative investment funds, and other institutional clients with which it regularly executes transactions. The BNP Paribas Group may also be exposed to risks related to the increasing involvement in the financial sector of players and the introduction of new types of transactions subject to little or no regulation (*e.g.* unregulated funds, trading venues or crowdfunding platforms). Credit and counterparty risks could be exacerbated if the collateral held by the BNP Paribas Group cannot be realized upon or is liquidated at prices not sufficient to recover the full amount of the loan or derivative exposure due to the BNP Paribas Group or in case of a failure of a significant financial market participant such as a central counterparty.

For reference, counterparty risk exposure related to financial institutions was EUR 25 billion at 31 December 2020, or 12% of the BNP Paribas Group's total counterparty risk exposure, and counterparty risk exposure related to clearing houses was EUR 42 billion, or 19% of the BNP Paribas Group's total counterparty risk exposure.

In addition, fraud or misconduct by financial market participants can have a material adverse effect on financial institutions due in particular to the interrelated nature of the financial markets. An example is the fraud perpetrated by Bernard Madoff that came to light in 2008, as a result of which numerous financial institutions globally, including the BNP Paribas Group, announced losses or exposure to losses in substantial amounts. The BNP Paribas Group remains the subject of various claims in connection with the Madoff matter; see note 6.b *Legal proceedings and arbitration* to its consolidated financial statements for the period ended 30 June 2021.

Losses resulting from the risks summarized above could materially and adversely affect the BNP Paribas Group's results of operations.

2. OPERATIONAL RISK

BNP Paribas Group's operational risk is the risk of loss resulting from failed or inadequate internal processes (particularly those involving personnel and information systems) or external events, whether deliberate, accidental or natural (floods, fires, earthquakes, terrorist attacks, *etc.*). BNP Paribas Group's operational risks cover fraud, human resources risks, legal and reputational risks, non-compliance risks, tax risks, information systems risks, risk of providing inadequate financial services (conduct risk), risk of failure of operational processes including credit processes, or from the use of a model (model risk), as well as potential financial consequences related to reputation risk management. From 2012-2020, BNP Paribas Group's main type of incidents involving operational risk were in "Clients, products and business practices", which represents 62% of the total financial impact, largely as a result of the BNP Paribas Group's agreement with US authorities regarding its review of certain dollar transactions concluded in June 2014. The next largest category of incident for the BNP Paribas Group in operational risk was in "Execution, delivery and process management", accounting for 17% of the financial impact. Between 2012 and 2020, other types of risk in operational risk consisted of external fraud (14%), business disruption and systems failure (3%), employment practices and workplace safety (2%), internal fraud (1%) and damage to physical assets (1%).

The risk-weighted assets subject to this type of risk amounted to EUR 71 billion at 31 December 2020, or 10% of the total risk-weighted assets of the BNP Paribas Group and EUR 62 billion at 30 June 2021, representing 9% of the BNP Paribas Group's total risk-weighted assets.

2.1 The BNP Paribas Group's risk management policies, procedures and methods may leave it exposed to unidentified or unanticipated risks, which could lead to material losses.

The BNP Paribas Group has devoted significant resources to developing its risk management policies, procedures and assessment methods and intends to continue to do so in the future. Nonetheless, the BNP Paribas Group's risk management techniques and strategies may not be fully effective in mitigating its risk exposure in all economic and market environments or against all types of risk, particularly risks that the BNP Paribas Group may have failed to identify or anticipate. The BNP Paribas Group's ability to assess the creditworthiness of its customers or to estimate the values of its assets may be impaired if, as a result of market turmoil such as that experienced in recent years, the models and approaches it uses become less predictive of future behaviour, valuations, assumptions or estimates. Some of the BNP Paribas Group's qualitative tools and metrics for managing risk are based on its use of observed historical market behaviour. The BNP Paribas Group applies statistical and other tools to these observations to arrive at quantifications of its risk exposures. The process the BNP Paribas Group uses to estimate losses inherent in its credit exposure or estimate the value of certain assets requires difficult, subjective, and complex judgments, including forecasts of economic conditions and how these economic predictions might impair the ability of its borrowers to repay their loans or impact the value of assets, which may, during periods of market disruption, be incapable of accurate estimation and, in turn, impact the reliability of the process. These tools and metrics may fail to predict future risk exposures, *e.g.* if the BNP Paribas Group does not anticipate or correctly evaluate certain factors in its statistical models, or upon the occurrence of an event deemed extremely unlikely by the tools and metrics. This would limit the BNP Paribas Group's ability to manage its risks. The BNP Paribas Group's losses could therefore be significantly greater than the historical measures indicate. In addition, the BNP Paribas Group's quantified modelling does not take all risks into account. Its more qualitative approach to managing certain risks could prove insufficient, exposing it to material unanticipated losses.

2.2 An interruption in or a breach of the BNP Paribas Group's information systems may cause substantial losses of client or customer information, damage to the BNP Paribas Group's reputation and result in financial losses.

As with most other banks, the BNP Paribas Group relies heavily on communications and information systems to conduct its business. This dependency has increased with the spread of mobile and online banking services, and the development of cloud computing. Any failure or interruption or breach in security of these systems could result in failures or interruptions in the BNP Paribas Group's customer relationship management, general ledger, deposit, servicing and/or loan organisation systems or could cause the BNP Paribas Group to incur significant costs in recovering and verifying lost data. The BNP Paribas Group cannot provide assurances that such failures or interruptions will not occur or, if they do occur, that they will be adequately addressed.

In addition, the BNP Paribas Group is subject to cybersecurity risk, or risk caused by a malicious and/or fraudulent act, committed virtually, with the intention of manipulating information (confidential data, bank/insurance, technical or strategic), processes and users, in order to cause material losses to the BNP Paribas Group's subsidiaries, employees, partners and clients and/or for the purpose of extortion (ransomware). An increasing number of companies (including financial institutions) have in recent years experienced intrusion attempts or even breaches of their information technology security, some of which have involved sophisticated and highly targeted attacks on their computer networks. Because the techniques used to obtain unauthorized access, disable or degrade service, steal confidential data or sabotage information systems have become more sophisticated, change frequently and often are not recognized until launched against a target, the BNP Paribas Group and its third-party service providers may be unable to anticipate these techniques or to implement in a timely manner effective and efficient countermeasures.

Any failures of or interruptions in the BNP Paribas Group's information systems or those of its providers and any subsequent disclosure of confidential information related to any client, counterpart or employee of the BNP Paribas Group (or any other person) or any intrusion or attack against its communication system could cause significant losses and have an adverse effect on the BNP Paribas Group's reputation, financial condition and results of operations.

Regulatory authorities now consider cybersecurity as a growing systemic risk for the financial sector. They have stressed the need for financial institutions to improve their resilience to cyber-attacks by strengthening internal IT monitoring and control procedures. A successful cyber-attack could therefore expose the Group to a regulatory fine, especially should any personal data from customers be lost.

Moreover, the BNP Paribas Group is exposed to the risk of operational failure or interruption of a clearing agent, foreign markets, clearing houses, custodian banks or any other financial intermediary or external service provider used by the BNP Paribas Group to execute or facilitate financial transactions. Due to its increased interaction with clients, the BNP Paribas Group is also exposed to the risk of operational malfunction of the latter's information systems. The BNP Paribas Group's communications and data systems and those of its clients, service providers and counterparties may also be subject to malfunctions or interruptions by as a result of cyber-crime or cyber-terrorism. The BNP Paribas Group cannot guarantee that these malfunctions or interruptions in its own systems or those of other parties will not occur or that in the event of a cyber-attack, these malfunctions or interruptions will be adequately resolved. These operational malfunctions or interruptions accounted for an average of 3% of operational risk losses over the 2012-2020 period.

2.3 Reputational risk could weigh on the BNP Paribas Group's financial strength and diminish the confidence of clients and counterparties in it.

Considering the highly competitive environment in the financial services industry, a reputation for financial strength and integrity is critical to the BNP Paribas Group's ability to attract and retain customers. The BNP Paribas Group's reputation could be harmed if it cannot adequately promote and market its products and services. The BNP Paribas Group's reputation could also be damaged if, as it increases its client base and the scale of its businesses, the BNP Paribas Group's comprehensive procedures and controls dealing with conflicts of interest fail, or appear to fail, to address them properly. At the same time, the BNP Paribas Group's reputation could be damaged by employee misconduct, fraud or misconduct by financial industry participants to which the BNP Paribas Group is exposed, a decline in, a restatement of, or corrections to its financial results, as well as any adverse legal or regulatory action, such as the settlement the BNP Paribas Group entered into with the US authorities in 2014 for violations of US laws and regulations regarding economic sanctions. The loss of business that could result from damage to the BNP Paribas Group's reputation could have an adverse effect on its results of operations and financial position.

3. MARKET RISK

The BNP Paribas Group's market risk is the risk of loss of value caused by an unfavourable trend in prices or market parameters. The parameters affecting the BNP Paribas Group's market risk include, but are not limited to, exchange rates, prices of securities and commodities (whether the price is directly quoted or obtained by reference to a comparable asset), the price of derivatives on an established market and all benchmarks that can be derived from market quotations such as interest rates, credit spreads, volatility or implicit correlations or other similar parameters.

BNP Paribas Group is exposed to market risk mainly through trading activities carried out by the business lines of its Corporate & Institutional Banking (CIB) operating division, primarily in Global Markets, which represented 15.4% of the BNP Paribas Group's revenue in 2020. BNP Paribas Group's trading activities are directly linked to economic relations with clients of these business lines, or indirectly as part of its market making activity.

In addition, the market risk relating to the BNP Paribas Group's banking activities covers its interest rate and foreign exchange rate risk in connection with its activities as a banking intermediary. The "operating" foreign exchange risk exposure relates to net earnings generated by activities conducted in currencies other than the functional currency of the entity concerned. The "structural" foreign exchange risk position of an entity relates to investments in currencies other than the functional currency. In measuring interest rate risk, the BNP Paribas Group defines the concepts of standard rate risk and structural rate risk as the following: the standard rate risk corresponds to the general case, namely when it is possible to define the most appropriate hedging strategy for a given transaction, and the structural rate risk is the interest rate risk for equity and non-interest-bearing current accounts.

BNP Paribas' market risk based on its activities is measured by Value at Risk (VaR), or the maximum potential loss over one year, at a 99.9% confidence level to calculate regulatory capital requirements, and various other market indicators (stressed VaR, Incremental Risk Charge, Comprehensive Risk Measure for credit correlation portfolio) as well as by stress tests and sensitivity analysis compared with market limits.

The risk-weighted assets subject to this type of risk amounted to EUR 25 billion at 31 December 2020, or nearly 4% of the total risk-weighted assets of the BNP Paribas Group and EUR 24 billion at 30 June 2021, representing 3% of the BNP Paribas Group's total risk-weighted assets.

3.1 The BNP Paribas Group may incur significant losses on its trading and investment activities due to market fluctuations and volatility.

The BNP Paribas Group maintains trading and investment positions in the debt, currency, commodity and equity markets, and in unlisted securities, real estate and other asset classes, including through derivative contracts. These positions could be adversely affected by extreme volatility in these markets, *i.e.* the degree to which prices fluctuate over a particular period in a particular market, regardless of market levels. Moreover, volatility trends that prove substantially different from the BNP Paribas Group's expectations may lead to losses relating to a broad range of other products that the BNP Paribas Group uses, including swaps, forward and future contracts, options and structured products.

To the extent that the BNP Paribas Group owns assets, or has net long positions, in any of those markets, a market downturn could result in losses from a decline in the value of its positions. Conversely, to the extent that the BNP Paribas Group has sold assets that it does not own, or has net short positions in any of those markets, a market upturn could, in spite of the existing limitation of risks and control systems, expose the BNP Paribas Group to potentially substantial losses as it attempts to cover its net short positions by acquiring assets in a rising market. The BNP Paribas Group may from time to time hold a long position in one asset and a short position in another, in order to hedge transactions with clients and/or from which it expects to gain based on changes in the relative value of the two assets. If, however, the relative value of the two assets changes in a direction or manner that the BNP Paribas Group did not anticipate or against which it is not hedged, it might realize a loss on those paired positions. Such losses, if significant, could adversely affect the BNP Paribas Group's results and financial condition. In addition, the BNP Paribas Group's hedging strategies may not be suitable for certain market conditions.

If any of the variety of instruments and strategies that the BNP Paribas Group uses to hedge its exposure to various types of risk in its businesses is not effective, the Group may incur losses. Many of its strategies are based on historical trading patterns and correlations. For example, if the BNP Paribas Group holds a long position in an asset, it may hedge that position by taking a short position in another asset where the short position has historically moved in a direction that would offset a change in the value of the long position. However, the hedge may only be partial, or the strategies used may not protect against all future risks or may not be fully effective in mitigating the BNP Paribas Group's risk exposure in all market environments or against all types of risk in the future. Unexpected market developments may also reduce the effectiveness of the BNP Paribas Group's hedging strategies, as shown by the losses incurred by the Group's equity derivatives activities in the first quarter of 2020, due in particular to the market environment. In addition, the manner in which gains and losses resulting from certain ineffective hedges are recorded may result in additional volatility in the BNP Paribas Group's reported earnings.

The BNP Paribas Group uses a "Value at Risk" (VaR) model to quantify its exposure to potential losses from market risks, and also performs stress testing with a view to quantifying its potential exposure in extreme scenarios (see *Market Risk Stress Testing Framework* in section 5.7 *Market risk*). However, these techniques rely on statistical methodologies based on historical observations, which may turn out to be unreliable predictors of future market conditions. Accordingly, the BNP Paribas Group's exposure to market risk in extreme scenarios could be greater than the exposures predicted by its quantification techniques.

The Global Markets business line in particular had EUR 24 billion in risk-weighted assets subject to market risk at 31 December 2020, or 3% of the total risk-weighted assets of the BNP Paribas Group.

3.2 The BNP Paribas Group may generate lower revenues from commission and fee-based businesses during market downturns and declines in activity.

Commissions represented 22% of the BNP Paribas Group's total revenues in 2020. Financial and economic conditions affect the number and size of transactions for which the BNP Paribas Group provides securities underwriting, financial advisory and other Investment Banking services. These revenues, which include fees from these services, are directly related to the number and size of the transactions in which the BNP Paribas Group participates and can thus be significantly affected by economic or financial changes that are unfavourable to its Investment Banking business and clients. In addition, because the fees that the BNP Paribas Group charges for managing its clients' portfolios are in many cases based on the value or performance of those portfolios, a market downturn that reduces the value of its clients' portfolios or increases the amount of withdrawals would reduce the revenues it receives from its asset management, equity derivatives and Private Banking businesses. Independently of market changes, below-market performance by the BNP Paribas Group's mutual funds may result in increased withdrawals and reduced inflows, which would reduce the revenues the BNP Paribas Group receives from its asset management business. A reduced level of revenues from the abovementioned commission and fee-based businesses may have a material adverse impact on the BNP Paribas Group's financial results.

3.3 Adjustments to the carrying value of the BNP Paribas Group's securities and derivatives portfolios and the BNP Paribas Group's own debt could have an adverse effect on its net income and shareholders' equity.

The carrying value of the BNP Paribas Group's securities and derivatives portfolios and certain other assets, as well as its own debt, in its balance sheet is adjusted as of each financial statement date. As at 31 December 2020, on the assets side of the BNP Paribas Group's balance sheet, financial instruments at fair value through profit or loss, derivative financial instruments used for hedging purposes and financial assets at fair value through shareholders' equity amounted to EUR 689.6 billion, EUR 15.6 billion and EUR 58.2 billion respectively. In the liabilities column, financial instruments at fair value through profit or loss and derivative financial instruments used for hedging purposes amounted to EUR 729.5 billion and EUR 13.3 billion, respectively, at 31 December 2020. Most of the adjustments are made on the basis of changes in fair value of the BNP Paribas Group's assets or debt during an accounting period, with the changes recorded either in the income statement or directly in shareholders' equity. Changes that are recorded in the income statement, to the extent not offset by opposite changes in the value of other assets, affect the BNP Paribas Group's consolidated revenues and, as a result, its net income. A downward adjustment of the fair value of the BNP Paribas Group's securities and derivatives portfolios may lead to reduced shareholders' equity, and to the extent not offset by opposite changes in the value of the BNP Paribas Group's liabilities, the BNP Paribas Group's capital adequacy ratios may also be lowered. The fact that fair value adjustments are recorded in one accounting period does not mean that further adjustments will not be needed in subsequent periods.

4. LIQUIDITY AND FUNDING RISK

Liquidity risk is the risk that the BNP Paribas Group will not be able to honour its commitments or unwind or offset a position due to market conditions or specific factors within a specified period of time and at a reasonable cost. It reflects the risk of not being able to cope with net cash outflows, including collateral requirements, over short- to long-term horizons. The BNP Paribas Group's specific risk can be assessed through its short-term liquidity ratio (Liquidity Coverage Ratio – LCR), which analyses the hedging of net cash outflows during a thirty-day stress period. The monthly average in 2020 of the BNP Paribas Group's LCR was 154%. The liquidity reserve was EUR 432 billion at the end of 2020.

4.1 The BNP Paribas Group's access to and cost of funding could be adversely affected by a resurgence of financial crises, worsening economic conditions, rating downgrades, increases in sovereign credit spreads or other factors.

The financial crisis, the eurozone sovereign debt crisis as well as the general macroeconomic environment have at times adversely affected the availability and cost of funding for European banks in recent years. This was due to several factors, including a sharp increase in the perception of bank credit risk due to exposure to sovereign debt in particular, credit rating downgrades of sovereigns and of banks, and debt market speculation. Many European banks, including the BNP Paribas Group, at various points experienced restricted access to wholesale debt markets and to the interbank market, as well as a general increase in their cost of funding. Accordingly, reliance on direct borrowing from the European Central Bank ("ECB") at times increased substantially. If such adverse credit market conditions were to reappear in the event of prolonged stagnation of growth, deflation, resurgence of the financial crisis, another sovereign debt crisis or new forms of financial crises, factors relating to the financial industry or the economy in general (including the economic consequences of the health crisis) or to the BNP Paribas Group in particular, the effect on the liquidity of the European financial sector in general and the BNP Paribas Group in particular could be materially adverse and have a negative impact on the BNP Paribas Group's results of operations and financial condition.

4.2 Protracted market declines can reduce the BNP Paribas Group's liquidity, making it harder to sell assets and possibly leading to material losses. Accordingly, the BNP Paribas Group must ensure that its assets and liabilities properly match in order to avoid exposure to losses.

In some of the BNP Paribas Group's businesses, particularly Global Markets (which represented 15.4% of the BNP Paribas Group's revenue in 2020) and Asset/Liability Management, protracted market movements, particularly asset price declines, can reduce the level of activity in the market or reduce market liquidity. These developments can lead to material losses if the BNP Paribas Group cannot close out deteriorating positions in a timely way. This is particularly true for assets that are intrinsically illiquid. Assets that are not traded on stock exchanges or other public trading markets, such as certain derivative contracts between financial institutions, may have values that the BNP Paribas Group calculates using models rather than publicly-quoted prices. Monitoring the deterioration of prices of assets like these is difficult and could lead to significant unanticipated losses (see section 5.8, paragraph *Stress tests and liquidity reserve*).

The BNP Paribas Group is exposed to the risk that the maturity, interest rate or currencies of its assets might not match those of its liabilities. The timing of payments on certain of the BNP Paribas Group's assets is uncertain, and if the BNP Paribas Group receives lower revenues than expected at a given time, it might require additional market funding in order to meet its obligations on its liabilities. While the BNP Paribas Group imposes strict limits on the gaps between its assets and its liabilities as part of its risk management procedures, it cannot be certain that these limits will be fully effective to eliminate potential losses arising from asset and liability mismatches.

4.3 Any downgrade of the Group's credit ratings could weigh heavily on the profitability of the Group.

Credit ratings have a significant impact on the BNP Paribas Group's liquidity. On 24 June 2021, Standard & Poor's confirmed the long-term rating of BNP Paribas SA's deposits and senior preferred debt rating as A+, confirmed its short-term rating as A-1 and revised the outlook from negative to stable. On 12 October 2020, Fitch maintained its long-term deposits and senior preferred debt rating for BNP Paribas SA at AA- and F1+, and withdrew its Negative Rating Watch and revised its outlook to negative. On 4 December 2020, Moody's confirmed its long-term deposits and senior preferred debt rating as Aa3, and confirmed its short-term rating as P-1, with a stable outlook. On 19 July 2021, DBRS confirmed BNP Paribas SA's senior preferred debt rating as AA(low), as well as its short-term rating as R-1(middle) with a stable outlook. A downgrade in the BNP Paribas Group's credit rating could affect the liquidity and competitive position of the Group. It could also increase the BNP Paribas Group's borrowing costs, limit access to the capital markets or trigger additional obligations under its covered bonds or under certain bilateral provisions in some trading, derivative or collateralized financing contacts.

In addition, the BNP Paribas Group's cost of obtaining long-term unsecured funding from market investors is also directly related to its credit spreads, which in turn depend to a certain extent on its credit ratings. Increases in credit spreads can significantly increase the BNP Paribas Group's cost of funding. Changes in credit spreads are continuous, market-driven, and subject at times to unpredictable and highly volatile movements. Credit spreads are also influenced by market perceptions of the BNP Paribas Group's creditworthiness. Furthermore, credit spreads may be influenced by movements in the cost to purchasers of credit default swaps referenced to the BNP Paribas Group's debt obligations, which are influenced both by the credit quality of those obligations, and by a number of market factors that are beyond the control of the BNP Paribas Group.

5. RISKS RELATED TO THE MACROECONOMIC AND MARKET ENVIRONMENT

5.1 Adverse economic and financial conditions have in the past had and may in the future have an impact on the BNP Paribas Group and the markets in which it operates.

The BNP Paribas Group's business is sensitive to changes in the financial markets and more generally to economic conditions in France (28% of the Group's revenues at 31 December 2020), other countries in Europe (47% of the Group's revenues at 31 December 2020) and the rest of the world (25% of the Group's revenues at 31 December 2020). The sharp deterioration in economic conditions in the Group's principal geographic markets as a result of the health crisis weighed on its results in 2020. The deterioration in economic conditions in the markets where the BNP Paribas Group operates and in the economic environment has had, in 2020, and could in the future have some or all of the following impacts:

- adverse economic conditions affect the business and operations of the BNP Paribas Group's customers, reducing credit demand and trading volume and resulting in an increased rate of default on loans and other receivables, in part as a result of the deterioration of the financial capacity of companies and households;
- a decline in market prices of bonds, equities and commodities affect the businesses of the BNP Paribas Group, including in particular trading, Investment Banking and asset management revenues;
- macroeconomic policies adopted in response to actual or anticipated economic conditions can have unintended effects, and are likely to impact market parameters such as interest rates and foreign exchange rates, which in turn can affect the BNP Paribas Group's businesses that are most exposed to market risk;
- perceived favourable economic conditions generally or in specific business sectors can result in asset price bubbles, which could in turn exacerbate the impact of corrections when conditions become less favourable;
- a significant economic disruption (such as the global financial crisis of 2008, the European sovereign debt crisis of 2011 or the Covid-19 pandemic since 2020) can have a severe impact on all of the BNP Paribas Group's activities, particularly if the disruption is characterized by an absence of market liquidity that makes it difficult to sell certain categories of assets at their estimated market value or at all. These disruptions, including those related to the

measures taken in response to the Covid-19 pandemic, could also lead to a decline in transaction commissions and consumer loans;

- a significant deterioration of market and economic conditions resulting from, among other things, from adverse political and geopolitical events such as natural disasters, geopolitical tensions (in particular protectionist measures), health risks such as the Covid-19 health crisis, the fear or recurrence of new epidemics or epidemics, acts of terrorism, societal unrest, cyber-attacks, military conflicts or threats thereof and related risks can affect the operating environment for the BNP Paribas Group episodically or for extended periods.

In 2021, economies and financial markets will be particularly sensitive to a number of factors, including the evolution of the Covid-19 pandemic and its economic consequences, in particular the increase in sovereign and corporate debt that was often high before the health crisis and has been aggravated by it, and the gradual and uneven recovery that has occurred with the easing of health restrictions but remains dependent on the uncertainties around the pandemic's remaining course. The risks associated with the Covid-19 pandemic, in particular, are described in section 7.1, *Epidemics and pandemics, including the ongoing coronavirus (Covid-19) pandemic and their economic consequences may adversely affect the Group's business, operations, results and financial condition*.

In addition, tensions around international trade (protectionist measures, such as customs duties, in addition to the restrictions adopted in response to the Covid-19 pandemic), geopolitical tensions, political risks directly affecting Europe (including the consequences of the implementation of Brexit), volatility in commodity prices (itself affected by the above-mentioned factors) and supply chain pressures and, as discussed below, the evolution of monetary policy are factors that may impact the economy and financial markets in the coming months or years.

More generally, the volatility of financial markets could adversely affect the BNP Paribas Group's trading and investment positions in the debt, currency, commodity and equity markets, as well as its positions in other investments. For reference, Global Markets accounted for 15.4% of the BNP Paribas Group's revenues in 2020. Severe market disruptions and extreme market volatility have occurred often in recent years and may occur again in the future, which could result in significant losses for the BNP Paribas Group. Such losses may extend to a broad range of trading and hedging products, including swaps, forward and future contracts, options and structured products. The volatility of financial markets makes it difficult to predict trends and implement effective trading strategies.

It is difficult to predict when economic or market downturns or other market disruptions will occur, and which markets will be most significantly impacted. If economic or market conditions in France or elsewhere in Europe, or Global Markets more generally, were to deteriorate, not improve as quickly as expected or become more volatile, the BNP Paribas Group's operations could be disrupted, and its business, results of operations and financial condition could be adversely affected.

5.2 Significant interest rate changes could adversely affect the BNP Paribas Group's revenues or profitability. The prolonged low interest rate environment carries inherent systemic risks, which could impact the BNP Paribas Group's income or profitability, and any exit from such environment would also carry risks.

The net interest income recorded by the BNP Paribas Group during any given period significantly affects its overall revenues and profitability for that period. Interest rates are highly sensitive to many factors beyond the BNP Paribas Group's control, such as the rate of inflation, country-specific monetary policies and certain decisions concerning regulatory capital. Changes in market interest rates could affect the interest rates charged on interest-earning assets differently than the interest rates paid on interest-bearing liabilities. Any adverse change in the yield curve could cause a decline in net interest income generated by the BNP Paribas Group's lending activities. In addition, increases in the interest rates at which the BNP Paribas Group's short-term funding is available and maturity mismatches may adversely affect its profitability.

Since the 2008-2009 financial crisis, Global Markets have been characterized by an extended period of low interest rates. This low interest rate environment has weighed significantly on banks' profitability, including that of the BNP Paribas Group, for a number of years. The relative impact on banks depends, in particular, on the proportion of their revenues represented by net interest income; this proportion was 48% for the BNP Paribas Group in 2020 (see note 2.a *Net interest income* to the BNP Paribas Group's consolidated financial statements for the year ended 31 December 2020). The situation worsened in 2019 and 2020, in particular with the emergence and increasing prevalence of loans at negative interest rates, including placements by European banks with the ECB. If the low, and even negative, interest rate environment continues, as a result, for example, of continued monetary loosening, which was increased to support the economy in the context of the Covid-19 epidemic, low growth or other factors, the BNP Paribas Group's profitability could be impacted or even decline. In this respect, central banks have increased their monetary support in the face of the recession caused by the health crisis. The ECB has in particular extended its targeted longer-term financing operations (TLTROs) until June 2022 under more favourable conditions, and maintained its quantitative easing policy, which was reactivated in September 2019. In addition, given the change in the economic environment, monetary policies may not be sufficient to offset the negative impacts of the Covid-19 epidemic or other crises that may emerge.

During periods of low interest rates, interest rate spreads tend to tighten, and the BNP Paribas Group may be unable to lower interest rates on deposits sufficiently to offset reduced income from lending at lower interest rates. Net interest income amounted to EUR 21,127 million in 2019 and EUR 21,312 million in 2020, respectively. On an indicative basis, over one-, two- and three-year timeframes, the sensitivity of revenues at 31 December 2020 to a parallel, instantaneous and definitive increase in market rates of +50 basis points (+0.5%) across all currencies has an impact of +EUR 125 million, +EUR 309 million and +EUR 600 million, respectively, or +0.3%, +0.7% and +1.4% of the Group's net banking income. The negative interest rate environment in which banks are charged for cash deposited with central banks, whereas banks typically do not charge clients for deposits, weighs significantly on banks' margins. In addition, the BNP Paribas Group has been facing and may continue to face an increase in early repayment and refinancing of mortgages and other fixed-rate consumer and corporate loans as clients take advantage of lower borrowing costs. This, along with the issuance of new loans at the low prevailing market interest rates, has resulted and may continue to result in a decrease in the average interest rate of the BNP Paribas Group's portfolio of loans thereby causing a decline in its net interest income from lending activities. Moreover, an environment of persistently low interest rates can also have the effect of flattening the yield curve in the market more generally, which could reduce the premium generated by the BNP Paribas Group from its funding activities. A flattening yield curve can also influence financial institutions to engage in riskier activities in an effort to earn the desired level of returns, which can increase overall market risk and volatility. Low interest rates may also affect the profitability and even the solvency of the insurance activities of French banks, including the BNP Paribas Group, particularly due to the prevalence in the market of life insurance contracts backed by euro-denominated funds, which may not be able to generate sufficient returns to be competitive with other investment products. Low interest rates may also adversely affect commissions charged by the BNP Paribas Group's asset management subsidiaries on money market and other fixed income products. A reduction in credit spreads and decline in Retail Banking income resulting from lower portfolio interest rates may adversely affect the profitability of the BNP Paribas Group's Retail Banking operations.

On the other hand, the end of a period of prolonged low interest rates, in particular due to tightening monetary policy, itself triggered in particular by an economic recovery or by inflation at rates higher than expected by central banks (which cannot be ruled out in the medium term) would also carry risks. If market interest rates were to rise, a portfolio featuring significant amounts of lower interest loans and fixed income assets would be expected to decline in value. If the BNP Paribas Group's hedging strategies are ineffective or provide only a partial hedge against such a change in value, the BNP Paribas Group could incur losses. Any sharper or more rapid than expected tightening could have a negative impact on the economic recovery. On the lending side, it could in particular cause stress in loan and bond portfolios, possibly leading to an increase in non-performing exposures and defaults. More generally, the ending of accommodative monetary policies (including liquidity infusions from central bank asset purchases) may lead to severe corrections in certain markets or asset classes (*e.g.* non-Investment Grade corporate and sovereign borrowers, certain sectors of equities and real estate) that particularly benefited (including from very low risk premiums as compared to historical averages) from the prolonged low interest rate and high liquidity environment, and such corrections could potentially be contagious to financial markets generally, including through substantially increased volatility.

5.3 Given the global scope of its activities, the BNP Paribas Group may be vulnerable to risk in certain countries where it operates and may be vulnerable to political, macroeconomic or financial changes in the countries and regions where it operates.

The BNP Paribas Group is subject to country risk, meaning the risk that economic, financial, political or social conditions in a given foreign country in which it operates could adversely affect the BNP Paribas Group's operations, or its results, or its financial condition, or its business. The BNP Paribas Group monitors country risk and takes it into account in the fair value adjustments and cost of risk recorded in its financial statements. However, a significant change in political or macroeconomic environments, particularly as evidenced by the Covid-19 crisis, the severity of which varies from one country or geographic area to another, may require it to record additional charges or to incur losses beyond the amounts previously written down in its financial statements. In addition, factors specific to a country or region in which the BNP Paribas Group operates could make it difficult for it to carry out its business and lead to losses or impairment of assets.

At 31 December 2020, the BNP Paribas Group’s loan portfolio consisted of receivables from borrowers located in France (34%), Belgium and Luxembourg (15%), Italy (10%), other European countries (19%), North America (12%), Asia (5%) and the rest of the world (5%). Adverse conditions that particularly affect these countries and regions would have a particularly significant impact on the BNP Paribas Group. In addition, the BNP Paribas Group has significant exposures in countries outside the OECD, which are subject to risks that include political instability, unpredictable regulation and taxation, expropriation and other risks that are less present in more developed economies.

6. REGULATORY RISKS

6.1 Laws and regulations adopted in recent years, particularly in response to the global financial crisis, as well as new legislative proposals, may materially impact the BNP Paribas Group and the financial and economic environment in which it operates.

Laws and regulations have been enacted in the past few years, in particular in France, Europe and the United States, with a view to introducing a number of changes, some permanent, in the financial environment. The impact of the measures has changed substantially the environment in which the BNP Paribas Group and other financial institutions operate.

The measures that have been adopted include:

- more stringent capital and liquidity requirements (particularly for global systemically important banks such as the BNP Paribas Group), as well as changes to the risk-weighting methodologies and the methods of using internal models that could lead to increased capital requirements;
- restrictions on certain types of activities considered as speculative undertaken by commercial banks that are prohibited or need to be ring-fenced in subsidiaries (particularly proprietary trading) and are subject to prudential requirements and autonomous funding;
- prohibitions or restrictions on fees for certain types of financial products or activities;
- enhanced recovery and resolution regimes, in particular the Bank Recovery and Resolution Directive of 15 May 2014 (the “BRRD”), as amended from time to time, which strengthens powers to prevent and resolve banking crises in order to ensure that losses are borne largely by the creditors and shareholders of the banks and in order to keep the costs incurred by taxpayers to a minimum;
- the establishment of the national resolution funds by the BRRD and the creation of the Single Resolution Board (the SRB) by the European Parliament and Council of the European Union in a resolution dated 15 July 2014 (the SRM Regulation), as amended from time to time, which can initiate resolution proceedings for banking institutions such as the BNP Paribas Group, and the Single Resolution Fund (the SRF), the financing of which by the BNP Paribas Group (up to its annual contribution) can be significant;
- the establishment of national deposit guarantee schemes and a proposed European deposit guarantee scheme or deposit insurance which will gradually cover all or part of the guarantee schemes of participating countries;
- increased internal control and reporting requirements with respect to certain activities;
- greater powers granted to the relevant authorities to combat money laundering and terrorism financing;

- more stringent governance and conduct of business rules and restrictions and increased taxes on employee compensation over specified levels;
- measures to improve the transparency, efficiency and integrity of financial markets and in particular the regulation of high frequency trading, more extensive market abuse regulations, increased regulation of certain types of financial products including mandatory reporting of derivative and securities financing transactions, requirements either to mandatorily clear, or otherwise mitigate risks in relation to, over-the-counter derivative transactions (including through posting of collateral in respect of non-centrally cleared derivatives);
- the taxation of financial transactions;
- enhanced protection of personal data and cybersecurity requirements;
- enhanced disclosure requirements, including through the introduction of new disclosure requirements on (i) how banking groups providing asset management services such as the BNP Paribas Group integrate sustainability risks or negative impacts, sustainable investment objectives or the promotion of environmental or social attributes when making investment decisions, and (ii) how and to what extent banking groups themselves finance or develop economic activities that can be considered environmentally sustainable as defined in the European Taxonomy; and
- the introduction of new requirements for the integration of climate risk into the risk measurement and management systems of banking groups, including through the publication of proposals for banks to manage and disclose climate risk, and the conduct of climate risk stress tests that could lead to additional regulatory capital requirements; and
- strengthening the powers of supervisory bodies, such as the French Prudential Supervision and Resolution Authority (the "ACPR") and the creation of new authorities, including the adoption of the Single Resolution Mechanism (the SRM) in October 2013, which placed the BNP Paribas Group under the direct supervision of the ECB as of November 2014.

These measures may have a significant adverse impact. For example, the introduction of a required contribution to the Single Resolution Fund resulted in a substantial additional expense for the BNP Paribas Group (the Group made a EUR 0.8 billion contribution to the Single Resolution Fund in 2020).

Measures relating to the banking sector could be further amended, expanded or strengthened. Moreover, additional measures could be adopted in other areas. It is impossible to predict what additional measures will be adopted and, given the complexity and continuing uncertainty of a certain number of these measures, to determine their impact on the BNP Paribas Group. The effect of these measures, whether already adopted or that may be adopted in the future, has been and could continue to be a decrease in the BNP Paribas Group's ability to allocate its capital and capital resources to financing, limit its ability to diversify risks, reduce the availability of certain financing and liquidity resources, increase the cost of financing, increase the cost of compliance, increase the cost or reduce the demand for the products and services offered by the BNP Paribas Group, require the BNP Paribas Group to proceed with internal reorganisations, structural changes or reallocations, affect the ability of the BNP Paribas Group to carry on certain activities or to attract and/or retain talent and, more generally, affect its competitiveness and profitability, which could have an impact on its profitability, financial condition and operating results. For example, the European Banking Authority estimated, in a report published on 15 December 2020, that the implementation of the final Basel III agreement adopted by the Group of Central Bank Governors and Heads of Supervision (GHOS) on 7 December 2017 may result, according to the approach adopted to transcribe the final Basel III agreement into European law, in an increase of the minimum required amount of Tier 1 capital between 13.1% and 18.5% with respect to the December 2019 baseline, reflecting for the 99 banks in the sample a shortfall in total capital of between EUR 33 billion and EUR 52 billion, including between EUR 17 billion and EUR 30 billion of common equity Tier 1. To this end, the European Commission is due to adopt draft texts in the first quarter of 2021, which should come into force by 1 January 2023, *i.e.* one year after the date initially planned due to the Covid-19 pandemic.

The BNP Paribas Group is subject to extensive and evolving regulatory regimes in the jurisdictions in which it operates. The BNP Paribas Group faces the risk of changes in legislation or regulation in all of the countries in which it operates, including, but not limited to, the following: monetary, liquidity, interest rate and other policies of central banks and regulatory authorities; changes in government or regulatory policy that may significantly influence investor decisions, in particular in the markets in which the BNP Paribas Group operates; changes in regulatory requirements applicable to the financial industry, such as rules relating to applicable governance, remunerations, capital adequacy and liquidity frameworks, restrictions on activities considered as speculative and recovery and resolution frameworks; changes in securities regulations as well as in financial reporting, disclosure and market abuse regulations; changes in the regulation of certain types of transactions and investments, such as derivatives and securities financing transactions and money market funds; changes in the regulation of market infrastructures, such as trading venues, central counterparties, central securities depositories, and payment and settlement systems; changes in the regulation of payment services, crowdfunding and fintech; changes in the regulation of protection of personal data and cybersecurity; changes in tax legislation or the application thereof; changes in accounting norms; changes in rules and procedures relating to internal controls, risk management and compliance; and expropriation, nationalisation, price controls, exchange controls, confiscation of assets and changes in legislation relating to foreign ownership.

These changes, the scope and implications of which are highly unpredictable, could substantially affect the BNP Paribas Group and have an adverse effect on its business, financial condition and results of operations. Some reforms not aimed specifically at financial institutions, such as measures relating to the funds industry or promoting technological innovation (such as open data projects), could facilitate the entry of new players in the financial services sector or otherwise affect the BNP Paribas Group's business model, competitiveness and profitability, which could in turn affect its financial condition and results of operations.

6.2 The BNP Paribas Group may incur substantial fines and other administrative and criminal penalties for non-compliance with applicable laws and regulations, and may also incur losses in related (or unrelated) litigation with private parties.

The BNP Paribas Group is exposed to regulatory compliance risk, *i.e.* the failure to comply fully with the laws, regulations, codes of conduct, professional norms or recommendations applicable to the financial services industry. This risk is exacerbated by the adoption by different countries of multiple and occasionally diverging and even conflicting legal or regulatory requirements. Besides damage to the BNP Paribas Group's reputation and private rights of action (including class actions), non-compliance could lead to material legal proceedings, fines and expenses (including fines and expenses in excess of recorded provisions), public reprimand, enforced suspension of operations or, in extreme cases, withdrawal by the authorities of operating licenses. This risk is further exacerbated by continuously increasing regulatory scrutiny of financial institutions as well as substantial increases in the quantum of applicable fines and penalties. Moreover, litigation by private parties against financial institutions has substantially increased in recent years. Accordingly, the BNP Paribas Group faces significant legal risk in its operations, and the volume and amount of damages claimed in litigation, regulatory proceedings and other adversarial proceedings against financial services firms have substantially increased in recent years and may increase further. The BNP Paribas Group may record provisions in this respect as indicated in note 4.m to the consolidated financial statements *(Provisions for contingencies and charges)*.

In this respect, on 30 June 2014 the BNP Paribas Group entered into a series of agreements with, and was the subject of several orders issued by, US federal and New York state government agencies and regulatory authorities in settlement of investigations into violations of US laws and regulations regarding economic sanctions. The fines and penalties imposed on the BNP Paribas Group as part of this settlement included, among other things, the payment of monetary penalties amounting in the aggregate to USD 8.97 billion (EUR 6.6 billion) and guilty pleas by BNP Paribas SA, the parent company of the BNP Paribas Group, to charges of having violated US federal criminal law and New York State criminal law. Following this settlement, the BNP Paribas Group remains subject to increased scrutiny by regulatory authorities (including *via* the presence of an independent consultant within the BNP Paribas Group) who are monitoring its compliance with a remediation plan agreed with them.

The BNP Paribas Group is currently involved in various litigations and investigations as summarized in note 7.b *Contingent liabilities: legal proceedings and arbitration* to its consolidated financial statements for the period ended 31 December 2020. It may become involved in further such matters at any point. No assurance can be given that an adverse outcome in one or more of such matters would not have a material adverse effect on the BNP Paribas Group's operating results for any particular period.

6.3 The BNP Paribas Group could experience an unfavorable change in circumstances, causing it to become subject to a resolution proceeding: BNP Paribas Group security holders could suffer losses as a result.

The BRRD, SRM Regulation and the Ordinance of 20 August 2015, as amended from time to time, confer upon the ACPR or the SRB the power to commence resolution proceedings for a banking institution, such as the BNP Paribas Group, with a view to ensure the continuity of critical functions, to avoid the risks of contagion and to recapitalize or restore the viability of the institution. These powers are to be implemented so that, subject to certain exceptions, losses are borne first by shareholders, then by holders of additional capital instruments qualifying as Tier 1 and Tier 2 (such as subordinated bonds), then by the holders of non-preferred senior debt and finally by the holders of senior preferred debt, all in accordance with the order of their claims in normal insolvency proceedings. For reference, the BNP Paribas Group's medium- to long-term wholesale financing at 31 December 2020 consisted of the following: EUR 11 billion in hybrid Tier 1 debt, EUR 21 billion in Tier 2 subordinated debt, EUR 55 billion in senior unsecured non-preferred debt, EUR 73 billion in senior unsecured preferred debt and EUR 22 billion in senior secured debt.

Resolution authorities have broad powers to implement resolution measures with respect to institutions and groups subject to resolution proceedings, which may include (without limitation): the total or partial sale of the institution's business to a third party or a bridge institution, the separation of assets, the replacement or substitution of the institution as obligor in respect of debt instruments, the full or partial write-down of capital instruments, the dilution of capital instruments through the issuance of new equity, the full or partial write-down or conversion into equity of debt instruments, modifications to the terms of debt instruments (including altering the maturity and/or the amount of interest payable and/or imposing a temporary suspension on payments), discontinuing the listing and admission to trading of financial instruments, the dismissal of managers or the appointment of a special manager *(administrateur spécial)*.

Certain powers, including the full or partial write-down of capital instruments, the dilution of capital instruments through the issuance of new equity, the full or partial write-down or conversion into equity of additional capital instruments qualifying as Tier 1 and Tier 2 (such as subordinated bonds), can also be exercised as a precautionary measure, outside of resolution proceedings and/or pursuant to the European Commission's State Aid framework if the institution requires exceptional public financial support.

The implementation of these tools and powers with respect to the BNP Paribas Group may result in significant structural changes to the BNP Paribas Group (including as a result of asset or business sales or the creation of bridge institutions) and in a partial or total write-down, modification or variation of claims of shareholders and creditors. Such powers may also result, after any transfer of all or part of the BNP Paribas Group's business or separation of any of its assets, in the holders of securities (even in the absence of any such write-down or conversion) being left as the creditors of the BNP Paribas Group whose remaining business or assets are insufficient to support the claims of all or any of the creditors of the Group.

7. RISKS RELATED TO THE BNP PARIBAS GROUP'S GROWTH IN ITS CURRENT ENVIRONMENT

7.1 Epidemics and pandemics, including the ongoing coronavirus (Covid-19) pandemic, and their economic consequences may adversely affect the Group's business, operations, results and financial condition.

A novel strain of the coronavirus (Covid-19) appeared in December 2019 and has since become a global pandemic , with a high concentration of cases in several countries in which the Group operates. This pandemic has had, and is expected to continue to have, a significant adverse impact on economies and financial markets worldwide. In particular, the severe economic downturns in many regions as well as the reduction in global trade and commerce more generally have had and are likely to continue to have negative effects on global economic conditions as global production, investment, supply chains and/or consumer spending have been and will continue to be affected.

In response to the adverse economic and market consequences of the pandemic, various governments and central banks have established and supplemented measures to support the economy and its recovery (loan guarantee schemes, tax payment deferrals, expanded unemployment coverage, investment plans, etc.) or to improve liquidity in the financial markets (increased asset purchases, credit facilities, profit-sharing loans, etc.). For example, the House of Representatives in the United States approved President Biden's economic stimulus plan in March 2021, which includes aid totalling $2 trillion. In Europe, all 27 member states have approved and ratified an economic stimulus package of EUR 750 billion. As an actor in the economy, the Group has been channeling and continues to channel these measures to support customers, in particular in the Group's retail banking networks through an active participation in State-guaranteed loans, for example, in France, Italy and the United States (120,000 loans granted in 2020, with the Group retaining 10%-30% of the risk, depending on the borrower's size). There can be no assurance, however, that such measures will suffice to offset the negative effects of the pandemic on the economy regionally or globally, to mitigate regional or global recessions (which are currently occurring or may occur) or to prevent possible disruptions to financial markets fully and on a sustained basis. The ending of these support measures could also lead to a deterioration in the financial condition of some economic actors. As a result, although immunization campaigns are accelerating globally, albeit with disparities across geographic regions, uncertainty remains as to the pandemic's remaining course, particularly due to the appearance of new strains of the virus (the "delta variant"). The Group is exposed to risks from the pandemic and its economic and market consequences both due to its inherent general sensitivity, as a global financial institution, to macroeconomic and market conditions, as well as to specific implications, as described below.

The lockdown measures and other restrictions imposed at various times since the onset of the health crisis in several of the Group's principal markets, in particular its domestic markets (France, Italy, Belgium and Luxembourg, which collectively represent 59% if its total gross credit exposures as at 31 December 2020), significantly reduced economic activity to recessionary levels when they were in effect, and the reinstatement or continuation of these measures could have a similar effect. Thus, even if the Group's net banking income was almost stable (-0.7% in 2020) driven by the very strong growth of CIB, the revenues of Domestic Markets and International Financial Services divisions were down by 2.1% and 7.2% respectively in 2020 compared to 2019. In addition, the health crisis has caused a cost of risk (+EUR 2.5 billion to EUR 5.7 billion in 2020). Thus the net income attributable to equityholders totalled EUR 7.1 billion, down by 13.5% compared to 2019, in connection with the sharp increase in the cost of risk. The first half of 2021 saw an improvement with revenues, rising by 4.6% to €23,605 million, and an increase in net income, attributable to the Group. Nevertheless, the Group's results and financial condition have been and could continue to be adversely affected by the reduced economic activity (including recessions) in its principal markets.

Thus, the health crisis had a major impact on the Group's cost of risk in 2020 in particular, and could continue to have such an impact in the coming quarters, reflecting macroeconomic anticipations based on several scenarios, in accordance with the set-up existing prior to the health crisis. In application of this framework, macroeconomic scenarios and in particular GDP assumptions and forecasts are a key input in the calculation of the cost of risk, and the health crisis has led, among other things, to a weakening in GDP assumptions in many of the Group's markets. The cost of risk calculations also incorporate the specific features of the dynamics resulting from the 2020 health crisis as well as its anticipated developments in future years, affecting credit and counterparty risk and in particular the impact of lockdown measures on economic activity and the effects of government support measures and authorities' decisions. All of these elements contributed to the substantial increase in the Group's cost of risk in 2020 (66 basis points). In the first half of 2021, the Group's cost of risk was 40 basis points, but the current uncertainties related to the evolution of the pandemic and its future consequences could contribute to a high cost of risk in the coming quarters. Specifically, the Group's cost of risk increased by EUR 2.5 billion between 2019 and 2020, of which EUR 1.4 billion in provisions for performing loans (stages 1 and 2) and decreased by €1.2 billion in the first half of 2021. This provisioning takes into account in particular updated macroeconomic scenarios, in accordance with IFRS 9 principles. The base case scenario used assumes (a) a return to 2019 GDP levels on average in Europe expected by mid-2022, (b) different paces of recovery across geographic regions and sectors and (c) the effects and continuation of government support, particularly to the sectors most affected by the pandemic, and plans and measures to support the economy. The impact of the pandemic on the long-term prospects of businesses in the affected sectors and more generally is uncertain and may lead to significant charges on specific exposures, which may not be fully captured by modelling techniques. Finally, the Group's exposure to increased cost of risk could result from its participation in State-guaranteed loan programmes (given its residual exposure), with more than 120,000 state-guaranteed loans granted as at 31 December 2020 and the existence (as well as the potential extension or renewal) of forbearance periods limiting credit-protection measures (such as payment acceleration) under health emergency legislation in various markets.

The sectors most adversely affected by the health crisis include the travel and tourism sectors; the Group's exposure to the aircraft sector (airlines, lessors, etc.) and to the tourism sector each represented approximately 1% of its total gross credit exposures as of 31 December 2020. The non-food retail sector has been affected by the lockdown measures; this sector represented less than 1% of the Group's total gross credit exposures as of 31 December 2020. The transportation & storage (excluding shipping) sector, which represented approximately 3% of the Group's total gross credit exposures as of 31 December 2020, has been affected by the lockdown measures and the disruption in global trade. The oil and gas sector has been affected by a decrease in demand resulting from the pandemic concomitant, in the early stages of the health crisis. This sector represented approximately 2% of the Group's total gross credit exposures as of 31 December 2020. The Group's results and financial condition could be adversely affected to the extent that the counterparties to which it has exposure in these sectors (and more generally, to the extent the negative effect on credit quality is more widespread) could be materially and adversely affected, resulting in particular in an increase in the Group's cost of risk.

The Group's results and financial condition could also be negatively affected by adverse trends in financial markets to the extent that the pandemic initially led to extreme market conditions (market volatility spikes, sharp drop in equity markets, tension on spreads, specific asset markets on hold, etc.) and the return of market volatility. This situation had and could again have an adverse impact on the Group's market activities, which accounted for 15.4% of its consolidated revenues in 2020 and 15.9% in the first half of 2021, in particular trading or other market-related losses resulting, among other reasons, from restrictions implemented in response to the health crisis such as on short-selling and dividend distributions (notably EUR 184 million of losses in the first quarter of 2020 related to the European authorities' restrictions on payment of dividends in respect of the 2019 fiscal year). Moreover, certain of the Group's investment portfolios (e.g. in its insurance subsidiaries) are accounted for on a mark-to-market basis and thus were impacted by adverse market conditions in the second quarter of 2020 and could be impacted again in the future.

Finally, the current health crisis could increase the probability and magnitude of various existing risks faced by the Group such as: i) pressure on revenues due in particular to (a) a further reduction in market interest rates and a likely prolongation of the low interest rate environment and (b) lower asset management inflows and hence revenues from fees and commissions; ii) an increased risk of a ratings downgrade following sector reviews by rating agencies; iii) a deterioration in the Group's liquidity due to various factors including increased customer drawdowns and/or lower deposit balances and iv) higher risk-weighted assets due to the deterioration of risk parameters, which would affect the Group's capital position.

Uncertainty as to the duration and extent of the pandemic's remaining course makes the overall impact on the economies of the Group's principal markets as well as the world economy difficult to predict. The extent to which the economic consequences of the pandemic will continue to affect the Group's results and financial condition will indeed depend largely on i) periodic and local reimpositions of lockdowns, as well as various restrictive measures that have been put in place and that could be renewed or reintroduced, as has been done in Europe, ii) the timing and extent of a return to pre-pandemic lifestyles, business operations and economic interactions, (iii) the effects of the measures taken to date or future measures that may be taken by governments and central banks to attenuate the economic fallout of the pandemic and iv) the duration and extent of the pandemic's remaining course, including the prospect of new waves or the appearance of new strains of the virus and, consequently, a reinstatement of lockdown measures or other restrictions in the Group's various markets, as well as the pace of deployment of vaccines and their effectiveness against all new strains of the coronavirus. Although immunizations are increasing globally at an accelerating rate, there remain disparities between geographic regions (particularly between North America, Europe and Asia), which could lead to differences in economic recovery between these geographic regions. In addition, while central bank and government actions and support measures taken in response to the pandemic have to date and may well continue to help attenuate its adverse economic and market consequences, central banks and regulators have also issued and may issue additional restrictions or recommendations in respect of banks' actions. In particular, they have limited in 2020 banks' flexibility in managing their business and taking action in relation to capital distribution, capital allocation and remuneration policies. Thus, while the ECB announced on July 23, 2021 not to extend beyond September 2021 the temporary and exceptional recommendation to banks not to pay a dividend, thus returning to the pre-crisis assessment processes, the ECB or the national competent authorities may introduce restrictions as part of their oversight processes.

7.2 Should the BNP Paribas Group fail to implement its strategic objectives or to achieve its published financial objectives, or should its results not follow stated expected trends, the trading price of its securities could be adversely affected.

In February 2017 the BNP Paribas Group announced a strategic plan for the 2017-2020 period and updated it in respect of 2020 upon announcing its first quarter 2020 results to reflect the economic impact of the COIVD-19 pandemic. Due to the pandemic, the preparation of the Group's next strategic plan was postponed to 2021. The BNP Paribas Group is preparing a strategic plan for the 2022-2025 period, which it expects to announce in early 2022. As a result, the Group has not set any new targets for 2021. In connection with announcing its full-year 2020 results on 5 February 2021, the

Group announced a number of trends for 2021 and confirmed them at the time of the publication of its first half 2021 results on 30 July 2021. The financial objectives of strategic plans are established primarily for purposes of internal planning and allocation of resources, and are based on a number of assumptions with regard to business and economic conditions. The BNP Paribas Group's actual results could vary significantly from these trends for a number of reasons, including the occurrence of one or more of the risk factors described elsewhere in this section, in particular as a result of the consequences of the Covid-19 health crisis which have had and could continue to have major repercussions on the economic outlook and cause financial market disruptions. If the BNP Paribas Group's results do not follow these trends, its financial condition and the value of its securities, as well as its financing costs, could be affected.

Additionally, the Group is pursuing an ambitious corporate social responsibility (CSR) policy and is committed to making a positive impact on society with concrete achievements. At the end of 2019, BNP Paribas reaffirmed its ambition to be a global leader in sustainable finance. The Group is thus taking strong positions, as a founding member of the United Nations Principles for Responsible Banking, which commits it to align its strategy with the Paris Agreement and the Sustainable Development Goals (SDGs). Its objective in 2022 is to provide EUR 210 billion in financing to sectors contributing to the SDGs. It is enhancing its support for the energy and environmental transition by deciding, for example, to reduce its outstanding loans to companies whose main business is related to the non-conventional hydrocarbons sector or thermal coal to zero by 2030 in the European Union (this criterion was extended to the OECD in 2020) and 2040 in the rest of the world, and by raising its target for supporting renewable energy development by EUR 18 billion by 2021. These measures (and any future ones along similar lines) may in certain cases adversely affect the BNP Paribas Group's results in the relevant sectors.

7.3 The BNP Paribas Group may experience difficulties integrating businesses following acquisition transactions and may be unable to realize the benefits expected from such transactions.

The BNP Paribas Group engages in acquisition and combination transactions on a regular basis. The BNP Paribas Group's most recent major such transactions were an agreement to integrate the Group's Prime Services and Electronic Equities platform with Deutsche Bank in 2019 and the acquisition of 100% of Exane, previously 50% owned by BNP Paribas, finalised on 13 July 2021. The integration of acquired businesses and the discontinuation or restructuring of certain businesses (in particular, BNP Paribas Suisse in 2019) resulted in restructuring costs of EUR 211 million in 2020. Successful integration and the realisation of synergies require, among other things, proper coordination of business development and marketing efforts, retention of key members of management, policies for effective recruitment and training as well as the ability to adapt information and computer systems. Any difficulties encountered in combining operations could result in higher integration costs and lower savings or revenues than expected. There will accordingly be uncertainty as to the extent to which anticipated synergies will be achieved and the timing of their realisation. Moreover, the integration of the BNP Paribas Group's existing operations with those of the acquired operations could interfere with its respective businesses and divert management's attention from other aspects of the BNP Paribas Group's business, which could have a negative impact on the BNP Paribas Group's business and results. In some cases, moreover, disputes relating to acquisitions may have an adverse impact on the integration process or have other adverse consequences, including financial ones.

Although the BNP Paribas Group undertakes an in-depth analysis of the companies it plans to acquire, such analyses often cannot be complete or exhaustive. In the event that the BNP Paribas Group is unable to conduct comprehensive due diligence prior to an acquisition, it may acquire doubtful or troubled assets or businesses that may be unprofitable or have certain potential risks that only materialise after the acquisition, The acquisition of an unprofitable business or a business with materialised risks may materially adversely affect the BNP Paribas Group's overall profitability and may increase its liabilities.

7.4 The BNP Paribas Group's current environment may be affected by the intense competition amongst banking and non-banking operators, which could adversely affect the BNP Paribas Group's revenues and profitability.

Competition is intense in all of the BNP Paribas Group's primary business areas in France and the other countries in which it conducts a substantial portion of its business, including other European countries and the United States. Competition in the banking industry could intensify as a result of consolidation in the financial services area, as a result of the presence of new players in the payment and the financing services area or the development of crowdfunding platforms, as well as the continuing evolution of consumer habits in the banking sector. While the BNP Paribas Group has launched initiatives in these areas, such as the debut of Hello bank! and its acquisition of Nickel, competitors subject to less extensive regulatory requirements or to less strict capital requirements (*e.g.* debt funds, shadow banks), or benefiting from economies of scale, data synergies, technological innovation (*e.g.* internet and mobile operators, digital platforms, fintechs), or free access to customer financial data could be more competitive by offering lower prices and more innovative services to address the new needs of consumers. New technologies that facilitate or transform transaction processes and payment systems, such as blockchain technologies, or that could significantly modify the fundamental mechanisms of the banking system, such as central bank digital currencies (cbdc), have been developed in recent years or could be developed in the near future. While it is difficult to predict the effects of these developments and the regulations that apply to them, which remain to be determined, the use of such technology could nevertheless reduce the market share of banks, including the BNP Paribas Group, secure investments that otherwise would have used technology used by more established financial institutions, such as the BNP Paribas Group or, more broadly, lead to the emergence of a different monetary system in which the use of established financial institutions, such as the BNP Paribas Group, would be affected. If such developments were to gain momentum, particularly with the support of governments and central banks, if the BNP Paribas Group is unable to respond to the competitive environment in France or in its other major markets by offering more attractive, innovative and profitable product and service solutions than those offered by current competitors or new entrants or if some of these activities were to be carried out by institutions other than banks, it may lose market share in key areas of its business or incur losses on some or all of its activities. In addition, downturns in the economies of its principal markets could add to the competitive pressure, through, for example, increased price pressure and lower business volumes for the BNP Paribas Group and its competitors. It is also possible that the imposition of more stringent requirements (particularly capital requirements and business restrictions) on large or systemically significant financial institutions that new players may not be subject to could lead to distortions in competition in a manner adverse to large private-sector institutions such as the BNP Paribas Group.

7.5 The BNP Paribas Group could experience business disruption and losses due to climate change risks such as transition risks, physical risks or liability risks.

The BNP Paribas Group is exposed to risks related to climate change, either directly through its own operations or indirectly through its financing and investment activities. There are two main types of risks related to climate change: (i) transition risks, which result from changes in the behaviour of economic and financial actors in response to the implementation of energy policies or technological changes; (ii) physical risks, which result from the direct impact of climate change on people and property through extreme weather events or long-term risks such as rising water levels or increasing temperatures. In addition, liability risks may arise from both categories of risk. They correspond to the damages that a legal entity would have to pay if it were found to be responsible for global warming. BNP Paribas is progressively integrating the assessment of these risks into its risk management system. The Group monitors these risks in the conduct of its business, in the conduct of its counterparties' business, and in its investments on its own behalf and on behalf of third parties. In this respect, the specific credit policies and the General Credit Policy have been enhanced since 2012 and 2014, respectively, with the addition of relevant clauses in terms of social and environmental responsibility. In addition, sector-specific policies and policies excluding certain environmental, social and governance (ESG) sectors from financing have also been put in place. In 2019, as part of the fight against climate change, the BNP Paribas Group made new commitments to reduce its exposure to thermal coal to zero by 2030 in the OECD and by 2040 for the rest of the world. The Group has also provided financing to companies in favour of the energy transition and sectors considered to contribute directly to the United Nations Sustainable Development Goals in the amounts of EUR 180 billion and EUR 188 billion in 2019, and 2020, respectively, with a target of 210 billion by 2022. By the end of 2015, BNP Paribas had already significantly strengthened its criteria for financing and investing in the coal sector, and in 2017, it was the first bank to announce the cessation of its financing activities for companies that derive most of their revenues from non-conventional hydrocarbons, measures that remain to date among the most advanced in the sector. These decisions are also reflected in the energy mix that the BNP Paribas Group finances. The BNP Paribas Group also supports its clients, both individuals and businesses, in their transition to a low-carbon economy. The BNP Paribas Group also aims to reduce the environmental footprint of its own operations. Despite the actions taken by the BNP Paribas Group to monitor risks and combat climate change, physical, transition or liability risks related to climate change could disrupt business or lead to losses.

7.6 Changes in certain holdings in credit or financial institutions could have an impact on the BNP Paribas Group's financial position.

Certain classes of assets may carry a high risk-weight of 250%. These assets include: credit or financial institutions consolidated under the equity method within the prudential scope (excluding insurance); significant financial interest in credit or financial institutions in which the BNP Paribas Group holds a stake of more than 10%; and deferred tax assets that rely on future profitability and arise from temporary differences.

The risk-weighted assets carrying a risk-weight of 250% amounted to EUR 17 billion at 31 December 2020, or 2% of the total risk-weighted assets of the BNP Paribas Group. If the BNP Paribas Group increases the amount of heavy risk-weighted assets (either by increasing the proportion of such heavy risk-weighted assets in its overall asset portfolio or due to an increase of the regulatory risk-weighting applicable to these assets), its capital adequacy ratios may be lowered.

4. GENERAL INFORMATION

4.1 Ownership structure as at 30 June 2021

Dates	31/12/2020			30/06/2021		
Shareholders	Number of shares *(in millions)*	% of share capital	% of voting rights	Number of shares *(in millions)*	% of share capital	% of voting rights
SFPI(1)	**96.55(2)**	**7.7%**	**7.7%**	**96.55(2)**	**7.7%**	**7.7%**
BlackRock Inc.	74.78**(3)**	**6.0%**	**6.0%**	75.25 **(4)**	**6.0%**	**6.0%**
Grand Duchy of Luxembourg	**12.87**	**1.0%**	**1.0%**	**12.87**	**1.0%**	**1.0%**
Employees	**54.91**	**4.4%**	**4.4%**	**53.62**	**4.3%**	**4.3%**
• of which Group FCPE*(5)*	41.41	3.3%	3.3%	40.76	3.3%	3.3%
• of which direct ownership	13.50	1.1(*)	1.1(*)	12.86	1.0(*)	1.0(*)
Corporate officers	**0.25**	**NS**	**NS**	**0.25**	**NS**	**NS**
Tresuary Shares (6)	**1.26**	**0.1%**	**-**	**1.24**	**0.1%**	**-**
Retail shareholders	**52.08**	**4.2%**	**4.2%**	**52.08**	**4.2%**	**4.2%**
Institutional Investors	**918.45**	**73.5%**	**73.6%**	**933.81**	**74.7%**	**74.8%**
• European	543.17	43.5%	43.5%	542.31	43.4%	43.4%
• Non European	375.28	30.0%	30.1%	391.50	31.3%	31.4%
Other and unidentified	**38.65**	**3.1%**	**3.1%**	**24.13**	**2.0%**	**2.0%**
TOTAL	**1 249.80**	**100%**	**100%**	**1 249.80**	**100%**	**100%**

(1) Société de Participations et d'Investissement: a public-interest limited company (société anonyme) acting on behalf of the Belgian government.

(2) According to the statement by SFPI, dated 6 June 2017.

(3) According to the statement by BlackRock dated 4 January 2021.

(4) According to the statement by BlackRock dated 21 April 2021

(5) The voting rights of the FCPE (profit-sharing scheme) are exercised, after the decision taken by the Supervisory Board, by its Chairman.

(6) Excluding trading desks' inventory positions

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(*) Of which 0.5% for the shares referred to in article L.225-102 of the French Commercial Code to determine the threshold above which the appointment of a Director representing employee shareholders must be proposed.

4.2 Amendment to Chapter 2 "Corporate Governance & Internal Control"

4.a.1 Report on Corporate Governance

Presentation of Directors and Corporate Officers : new Directors and other Corporate Officer after the BNP Paribas General Shareholders Meeting the 18 May 2021.

➢ New membership of the board of directors :

Juliette BRISAC
Principal Function : Chief Operating Officer of BNP Paribas Real Estate

Date of birth : 22 May 1964
Nationality : French
Term start and end dates : 18 May 2021 – AG 2024
Date first elected to the Board of directors : 18 May 2021

Number of BNP Paribas shares held(1): 9,294(2)
Business Address : 167 quai de la bataille de Stalingrad 92867 Issy les Moulineaux Cedex FRANCE

Offices(1) held in listed or unlisted companies of the BNP Paribas Groupe, in France or abroad
BNP Paribas(*), director representing employee shareholders
BNP Paribas Real Estate (SAS), member of the Management Board
GIE Siège Issy, director and Chief executive officer
BNP Paribas Real Estate Financial Partner (SAS), Chairwoman
BNP Paribas Real Estate Investment Management Luxembourg SA, director
BNP Paribas Real Estate (Singapore) PTE Ltd, director
BNP Paribas Real Estate Advisory & Property Management UK (Ltd), director
Supervisory Board of FCPE (Company profit-sharing scheme) « Actionnariat Monde », Chairwoman

Education
Master's degree in Economics
DESS in Banking & Finance from the University of Paris I Panthéon Sorbonne
Institut français des Administrateurs
Certified auditor of Cycle des hautes études pour le développement économique (CHEDE)

Offices held at 31 December in previous financial years
(the companies mentioned are the parent companies of the groups in which the functions were carried out)

NA

(1) At 18 May 2021
(2) Includes 3,352 BNP Paribas shares held as units in the shareholders' fund under the Company Savings Plan.
(*) Listed Company.

Christian NOYER
Principal Function : Honorary Governor of Banque de France

Date of birth : 6 October 1950
Nationality : French
Term start and end dates : 18 May 2021 – AG 2024
Date first elected to the Board of directors : 18 May 2021 *(Christian Noyer served as a non-voting director (censeur) of BNP Paribas from 1 May 2019 to 18 May 2021)*

Number of BNP Paribas shares held(1): 1,000
Business Address : 9, rue de Valois 75001 Paris FRANCE

Education
Ecole Nationale d'Administration
Graduate of the Institut des sciences politiques
Masters in Law, University of Paris
Law degree, University of Rennes

Offices(1) held in listed or unlisted companies of the BNP Paribas Groupe, in France or abroad
BNP Paribas(*), director

Offices(1) held in listed or unlisted companies outside the BNP Paribas Group, in France or abroad
Power Corporation Canada(*), director
NSIA Banque Côte d'Ivoire, director
NSIA Banque Bénin, director
Setl Ltd, director

Participation(1) in specialised committees of French or foreign companies
BNP Paribas, Chairman of the Financial Statements Committee
Power Corporation Canada, member of the Governance and Nominating Committee and of the Related Party and Conduct Review Committee

Other(1)
Group of Thirty (G30), member
Institut pour l'Education Financière du Public, Chairman
French Institute of International Relations (IFRI), member

Offices held at 31 December in previous financial years*(the companies mentioned are the parent companies of the groups in which the functions were carried out)*

2020 :	2019 :
Director: Power Corporation Canada, NSIA Banque Côte d'Ivoire, Lloyd's Insurance Company SA, Setl Ltd	**Director:** Power Corporation Canada, NSIA Banque Côte d'Ivoire, Lloyd's of London, Setl Ltd

(1) At 18 May 2021
(*) Listed company

- Other Corporate Officer :

Thierry LABORDE
Principal Function : Chief Operating Officer of BNP Paribas

Date of birth : 17 December 1960
Nationality : French

Number of BNP Paribas shares held[(1)]: 14,909[(2)]
Business Address : 3, rue d'Antin 75002 Paris, FRANCE

Offices[(1)] held in listed or unlisted companies of the BNP Paribas Groupe, in France or abroad
BNP Paribas[(*)], Chief Operating Officer in charge of Retail Banking
BNL SpA, director
Arval Service Lease, director
BNP Paribas Leasing Solutions, director
BNP Paribas Lease Group, director
BNP Paribas Personal Finance, Chairman

Other[(1)]
Europe Payments Initiative, director

Education
Graduate of Economic Sciences

Offices held at 31 December in previous financial years *(the companies mentioned are the parent companies of the groups in which the functions were carried out)*

N.A.

(1) At 18 May 2021.
(2) Includes 1,674 BNP Paribas shares held as units in the shareholders' fund under the Company Savings Plan.
(*) Listed company.

Yann GERARDIN
Principal Function : Chief Operating Officer of BNP Paribas

Date of birth : 11 November 1961
Nationality : French

Number of BNP Paribas shares held[(1)]: 159,271[(2)]
Business Address : 3, rue d'Antin 75002 Paris, FRANCE

Offices[(1)] held in listed or unlisted companies of the BNP Paribas Groupe, in France or abroad
BNP Paribas[(*)], Chief Operating Officer in charge of Corporate Investment Banking

Other
N.A

Education
Bachelor's degree in Economics
Graduate of the Ecole des Hautes Etudes Commerciales (HEC)
Graduate of the Paris Institute of Political Studies

Offices held at 31 December in previous financial years*(the companies mentioned are the parent companies of the groups in which the functions were carried out)*

N.A.

(1) At 18 May 2021.
(2) Includes 25,671 BNP Paribas shares held as units in the shareholders' fund under the Company Savings Plan.
(*) Listed company.

BNP Paribas Corporate Governance :

The Board of directors (on 19 May 2021)
Chairman: Jean Lemierre

Missions and controls in the following areas:

- Orientations and strategic operations
- CSR promotion
- Governance, Internal Control and financial statements
- Supervision of risk management
- Financial communication
- Remuneration
- Preventive recovery plan
- Monitoring the application of the Code of conduct

Financial Statements Committee (CdC)

Members

Christian Noyer (C) (i)
Jacques Aschenbroich (i)
Juliette Brisac (iii)
Wouter De Ploey (i)
Sandrine Verrier (ii)
Fields Wicker-Miurin (i)

Missions

- Monitoring the preparation of the financial information
- Monitoring the efficiency of the Internal Control systems and of risk management systems regarding accounting and financial matters
- Monitoring the statutory auditing of the annual financial statements and of the consolidated financial statements by the Statutory Auditors as well as the independence of the Statutory Auditors
-

Internal Control, Risk Management and Compliance Committee (CCIRC)

Members

Michel Tilmant (C) (i)
Monique Cohen (i)
Hugues Epaillard (ii)
Rajna Gibson-Brandon (i)
Fields Wicker-Miurin (i)

Missions

- Reviewing the global strategy concerning risks
- Monitoring the remuneration principles in relation to risks
- Reviewing issues relating to Internal Control and compliance
- Reviewing the prices of products and services in relation to the risk strategy

Corporate Governance, Ethics, Nominations and CSR Committee (CGEN)

Members

Monique Cohen (C) (i)
Pierre André de Chalendar (i)
Marion Guillou (i)
Daniela Schwarzer (i)

Missions

- Oversight and monitoring of the compliance of governance principles with changes in regulations and best practice in the area of corporate governance
- Identification of, selection of, and succession plan for directors and committee members
- Assessment of the Board of directors
- Periodic review of the selection of, appointment of and succession process for corporate officers
- Monitoring Executive Management's application of the Suitability policy for Key function holders under EBA guidelines
- Assessment of corporate officers
- Appraising the independence of the directors
- Maintaining the general balance of the Board of directors
- Regular monitoring of updates to the Code of conduct
- Monitoring CSR issues (Group's contribution to economic, sustainable, and responsible development)

Remuneration Committee (CR)

Members

Pierre André de Chalendar (C) (i)
Hugues Epaillard (ii)
Marion Guillou (i)
Fields Wicker-Miurin (i)

Missions

- Annual review of the principles that underpin the Group's remuneration policy
- Annual review of the remuneration, allowances and benefits in kind granted to the directors and corporate officers of the Company and of the Group's major French subsidiaries
- Annual review of the remuneration of the Group's regulated staff categories
- Control of the remuneration of the Head of the Risk Management Function and Head of Compliance

Joint meetings of the CdC and the CCIRC
Co-Chairmen: Christian Noyer (i), Michel Tilmant (i)

- Examining the mission plan of the General Inspection and the audit plan of the Statutory Auditors and preparing the work of the Board on the assessment of the risk policies and risk management measures
- Dealing with the common issues relating to the risk policies and their financial impacts

(c) Chairman
(i) Independent director according to the provisions of the Afep-Medef Code.
(ii) Director elected by employees.
(iii) Director representing employee shareholders, acting as an observer until the end of 2021

Independence of directors (as of 18 May 2021)

The following table shows the position of each director with regard to the independence criteria contained in the Afep-Medef Code to define an independent director:

	Criteria	Jean LEMIERRE	Jean-Laurent BONNAFÉ	Jacques ASCHENBROICH	Juliette BRISAC	Pierre-André de CHALENDAR	Monique COHEN	Hugues EPAILLARD	Rajna GIBSON-BRANDON	Marion GUILLOU	Christian Noyer	Daniela SCHWARZER	Michel TILMANT	Wouter DE PLOEY	Sandrine VERRIER	Fields WICKER-MIURIN
1	Not be, or have been, in the last five years (i) an employee or corporate officer of the Company or of a consolidated subsidiary of the Company; (ii) a director of a consolidated subsidiary	o	o	✓	o	✓	✓	o	✓	✓	✓	✓	✓	✓	o	✓
2	Whether or not corporate offices are held in another company	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
3	Whether or not significant business relationships exist	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
4	Whether or not there are close family ties to a corporate officer	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
5	Not have been a Statutory Auditor of the Company in the previous five years	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
6	Not a director of the Company for more than 12 years	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
7	No variable compensation granted to the non-executive corporate officer	✓	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
8	Major shareholder status	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

✓ *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.

Directors knowledge, skills and experience

Director	Age	Gender	Nationality	Areas of expertise	End of term of office
Jean LEMIERRE (Chairman)	70	M	French	Banking/Finance Risks/Regulation monitoring International	2023
Jean-Laurent BONNAFÉ Chief Executive Officer and director	59	M	French	Banking/Finance Business operations International	2022
Jacques ASCHENBROICH	66	M	French	Industrial International Transformation	2023
Juliette BRISAC	57	F	French	Representation of employee shareholders	2024
Pierre-André de CHALENDAR	62	M	French	Industrial International CSR	2024
Monique COHEN	64	F	French	Banking/Finance Business operations CSR	2023
Wouter DE PLOEY	55	M	Belgian	Banking/Finance Digital Transformation	2022
Hugues EPAILLARD (director elected by employees)	54	M	French	Organisation representing employees	2024
Rajna GIBSON-BRANDON	58	F	Swiss	Financial markets Risks/Regulation monitoring CSR	2024
Marion GUILLOU	66	F	French	Risks/Regulation monitoring CSR Technology	2022
Christian NOYER	70	M	French	Banking/Finance International Risks/Regulation monitoring	2024
Daniela SCHWARZER	47	F	German	Money markets Geopolitics International	2023
Michel TILMANT	68	M	Belgian	Banking/Finance Risks/Regulation monitoring International	2022
Sandrine VERRIER (director elected by employees)	41	F	French	Organisation representing employees	2024
Fields WICKER-MIURIN	62	F	British/American	Banking/Finance Financial markets International	2023

Schedule of the terms of the directorships of Company directors (as of May 18, 2021)

On the Board's proposal, the Shareholders' Annual General Meeting of 23 May 2000 decided to limit the term of office of new directors to three years.

Directors	2022 (AGM called to approve the 2021 financial statements)	2023 (AGM called to approve the 2022 financial statements)	2024 (AGM called to approve the 2023 financial statements)
J. Lemierre		✓	
J.-L. Bonnafé	✓		
J. Brisac			✓ (i)
J. Aschenbroich		✓	
P.A. de Chalendar			✓
M. Cohen		✓	
W. De Ploey	✓		
H. Epaillard			✓ (ii)
R. Gibson-Brandon			✓
M. Guillou	✓		
C. Noyer			✓
D. Schwarzer		✓	
M. Tilmant	✓		
S. Verrier			✓ (iii)
F. Wicker-Miurin		✓	

(i) Director representing employee shareholders.

(ii) Director elected by executive employees - Start and end date of previous term: 16 February 2018 – 15 February 2021. Re-elected by executive employees in the first round of voting on 20 November 2020 (took office on 16 February 2021).

(iii) Director elected by technician employees - Start and end of term of previous term: 16 February 2018 – 15 February 2021. Re-elected by technician employees in the second round of voting on 20 November 2020 (took office on 16 February 2021).

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.

Otherwise, the Board of directors has approved the minimum number of shares that the two new Chief Operating Officers following the General Shareholders Meeting hold on 18 May 2021 shall be required to hold for the duration of their terms of office, through the direct ownership of shares or units in the Company Savings Plan fully invested in BNP Paribas shares.

For Yann Gérardin, this number is set at 30,000 shares, he already complies with this obligation.

For Thierry Laborde, this number is set at 30,000 shares, he has to comply with this obligation by the end of 2022. Thierry Laborde held 14,909 BNP Paribas shares as of 18 May 2021.

4.a.2 The Executive Committee

As at 30 July 2021, the BNP Paribas Executive Committee had the following members:
Jean-Laurent Bonnafé, Director and Chief Executive Officer
Yann Gérardin, Chief Operating Officer, Corporate & Institutional Banking
Thierry Laborde, Chief Operating Officer, Retail Banking
Laurent David, Deputy Chief Operating Officer
Renaud Dumora, Deputy Chief Operating Officer, Investment & Protection Services
Marguerite Bérard, Head of French Retail Banking
Stefaan Decraene, Head of International Retail Banking
Charlotte Dennery, Director and Chief Executive Officer of BNP Paribas Personal Finance
Elena Goitini, Chief Executive Officer of BNL
Max Jadot, Chief Executive Officer and Chairman of the Executive Board of BNP Paribas Fortis
Yannick Jung, Head of Corporate & Institutional Banking Global Banking EMEA
Pauline Leclerc-Glorieux, Director and Chief Executive Officer of BNP Paribas Cardif
Olivier Osty, Head of Corporate & Institutional Banking Global Markets
Bernard Gavgani, Chief Information Officer
Nathalie Hartmann, Head of Compliance
Lars Machenil, Chief Financial Officer
Sofia Merlo, Head of Human Resources
Frank Roncey, Chief Risk Officer
Antoine Sire, Head of Company Engagement
The BNP Paribas Executive Committee has had a permanent Secretariat since November 2007.

4.3 Documents on display

This document is available on the BNP Paribas website, www.invest.bnpparibas.com, and the Autorité des Marchés Financiers (AMF) website, www.amf-france.org.

Any person wishing to receive additional information about the BNP Paribas Group can request documents, without commitment, as follows:

■ by writing to:
BNP Paribas – Group Finance
Investor Relations and Financial Information
3, rue d'Antin – CAA01B1
75002 Paris

■ by calling: +33 (0)1 40 14 63 58
BNP Paribas' regulatory information (in French) can be viewed at: https://invest.bnpparibas.com/information-reglementee.

4.4 Significant change

Save as disclosed in this Amendment to the 2020 Universal registration document, there have been no significant changes in the Group's financial situation since 30 June 2021, no material adverse change in the prospects of the Issuer and no significant changes in the Group's financial situation or financial performance since the end of the last financial period for which financial statements were published, and in particular since the signature of the Statutory Auditors' report on the audited consolidated financial statements on 30 July 2021.
To the best of the Group's knowledge, there have not been any recent events which are to a material extent relevant to the evaluation of BNPP's solvency since 30 June 2021.

5. STATUTORY AUDITORS

Deloitte & Associés	PricewaterhouseCoopers Audit	Mazars
6, place de la Pyramide	63, rue de Villiers	61, rue Henri Regnault
92908 Paris-La Défense Cedex	92208 Neuilly-sur-Seine Cedex	92400 Courbevoie

- Deloitte & Associés was re-appointed as Statutory Auditor at the Annual General Meeting of 24 May 2018 for a six-year period expiring at the close of the Annual General Meeting called in 2024 to approve the financial statements for the year ending 31 December 2023. The firm was first appointed at the Annual General Meeting of 23 May 2006.
  Deloitte & Associés is represented by Laurence Dubois

  Deputy:
  Société BEAS, 6, place de la Pyramide, 92908 Paris-La Défense (92), France, SIREN No. 315 172 445, Nanterre trade and companies register.

- PricewaterhouseCoopers audit was re-appointed as Statutory Auditor at the Annual General Meeting of 24 May 2018 for a six-year period expiring at the close of the Annual General Meeting called in 2024 to approve the financial statements for the year ending 31 December 2023. The firm was first appointed at the Annual General Meeting of 26 May 1994.
  PricewaterhouseCoopers Audit is represented by Patrice Morot.

  Deputy:
  Jean-Baptiste Deschryver, 63, rue de Villiers, Neuilly-sur-Seine (92).

- Mazars was re-appointed as Statutory Auditor at the Annual General Meeting of 24 May 2018 for a six-year period expiring at the close of the Annual General Meeting called in 2024 to approve the financial statements for the year ending 31 December 2023. The firm was first appointed at the Annual General Meeting of 23 May 2000.
  Mazars is represented by Virginie Chauvin.

  Deputy:
  Charles de Boisriou, 28 rue Fernand Forest, 92150 Suresnes (92).

Deloitte & Associés, PricewaterhouseCoopers and Mazars are registered as Statutory Auditors with the Versailles Regional Association of Statutory Auditors, under the authority of the French National Accounting Oversight Board (Haut Conseil du Commissariat aux Comptes).

6. PERSON RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT

PERSON RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT AND ITS AMENDMENTS

Jean-Laurent Bonnafé, Chief Executive Officer of BNP Paribas

STATEMENT BY THE PERSON RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT AND ITS AMENDMENTS

I hereby declare that the information contained in the English version of the 3th amendment to the 2020 Universal Registration Document filed with the AMF on 30th July 2021 is in accordance with the facts and contains no omission likely to affect its import.

I hereby certify that, to my knowledge, the condensed financial statements for the most recent half-year have been prepared in accordance with applicable accounting standards and give a true and fair view of the assets, financial position and results of the Company and all entities included in the consolidated group, and that the half-year report from page 78 to page 204 provides a fair review of the development and performance of the business, profit or loss and financial position of the Company and all the entities included in the consolidation, and that it describes the principal risks and uncertainties that they face.

Paris, 30 July 2021,

Chief Executive Officer

Jean-Laurent BONNAFÉ

7. TABLES OF CONCORDANCE

7.1 Sections of Annex I of Regulation (EU) 2017/1129

In order to assist readers of the Universal Registration Document, the following concordance cross-references the main headings required by Annex 1 of European Regulation 2017/1129 (Annex I), taken in application of the Directive known as "Prospectus 3" and refers to the pages of the 2020 universal registration document and its amendments where information relating to each of the headings is mentioned.

	Third Amendment to the 2020 Universal Registration filed with the AMF on July 30th, 2021	Second Amendment to the 2020 Universal Registration filed with the AMF on April 30th, 2021 and approved on May 6, 2021	First Amendment to the 2020 Universal Registration filed with the AMF on April 30th, 2021 and approved on May 6, 2021	2020 Universal Registration Document filed with the AMF on March 12, 2021 and approved on May 6, 2021
1. Persons responsible				
1.1 Person responsible for the Universal Registration Document	296	7	107	656
1.2 Statement of the person responsible for the Universal Registration Document	296	7	107	656
1.3 Statement or report attributed to a person as an expert				
1.4 Information from a third party				
1.5 Competent Authority approval	2	2-4	2	1
2. Statutory auditors	**295**	**6**	**106**	**654**
3. Risk factors	**265-284**		**77-79**	**290-304**
4. Information about the issuer				**4-5; 645 ; 663-665, 672**
5. Business overview				
5.1. Principal activities	3			6-17; 202-205; 638-644
5.2. Principal markets				6-17; 202-205; 638-644
5.3. History and development of the issuer				5
5.4. Strategy and objectives				146-147; 545; 594-607; 622-623
5.5. Possible dependency				636
5.6. Basis for any statements made by the issuer regarding its competitive position				6-17; 122-138
5.7. Investments				251-252; 531; 592-593; 637
6. Organisational structure				
6.1. Brief description	3			4; 6; 622-623
6.2. List of significant subsidiaries	181-204			263-270; 524-530; 638-643
7. Operating and financial review				
7.1. Financial situation	4-74		3-66; 69	148; 164; 166; 494-495
7.2. Operating results	63-74		56-66	122-138; 144-145; 150-156; 164; 203; 494
8. Capital resources				
8.1. Issuer's capital resources	56-57 ; 83 ; 85-86 ; 170-172 ; 209-216		50 ; 69 ; 71-76	168-169; 519
8.2. Sources and amounts of cash flows	84			167
8.3. Borrowing requirements and funding structure	18 ; 25		15	148; 445-458
8.4 Information regarding any restrictions on the use of capital resources that have materially affected, or could materially affect, the issuer's operations.				NA
8.5. Anticipated sources of funds				NA
9. Regulatory environment				281 ; 287-289

	Third Amendment to the 2020 Universal Registration filed with the AMF on July 30th, 2021	Second Amendment to the 2020 Universal Registration filed with the AMF on April 30th, 2021 and approved on May 6, 2021	First Amendment to the 2020 Universal Registration filed with the AMF on April 30th, 2021 and approved on May 6, 2021	2020 Universal Registration Document filed with the AMF on March 12, 2021 and approved on May 6, 2021
10. Trend information				
10.1 Main recent trends	37		80	146-147 ; 637
10.2 Trends likely to have amaterial impact on the issuer's outlook	37		80	146-147 ; 637
11. Profit forecasts or estimates	**NA**		NA	**NA**
11.1 Profit forecasts or estimates published	NA		NA	NA
11.2 Declaration setting forth the principal forecast assumptions	NA		NA	NA
11.3 Declaration of comparability with the historical financial information and compliance with accounting methods	NA		NA	NA
12. Administrative, management, and supervisory bodies, and senior management				
12.1. Administrative and management bodies	286-293			33-45 ; 102-104
12.2. Administrative and management bodies' conflicts of interest				49-50 ; 64-65 ; 74-97
13. Remuneration and benefits				
13.1. Amount of remuneration paid and benefits in kind granted			82-101	74-97 ; 241-247 ; 259
13.2. Total amounts set aside or accrued by the issuer or its subsidiaries to provide pension, retirement, or similar benefits			82-101	74-97 ; 241-247 ; 259
14. Board practices				
14.1. Date of expiry of the current terms of office	286-287 ; 292			33-44
14.2. Information about members of the administrative bodies' service contracts with the issuer				NA
14.3. Information about the audit committee and remuneration committee	289			53-60
14.4. Corporate governance regime in force in the issuer's country of incorporation				46-51
14.5. Potential material impacts on the corporate governance				33-44; 57-58
15. Employees				
15.1. Number of employees	3			4 ; 573-574 ; 622
15.2. Shareholdings and stock options				74-97 ; 189 ; 578-579
15.3. Description of any arrangements for involving the employees in the capital of the issuer				
16. Major shareholders				
16.1. Shareholders owning more than 5% of the issuer's capital or voting rights	285			18-19
16.2. Existence of different voting rights				18
16.3. Control of the issuer				18-19
16.4. Description of any arrangements, known to the issuer, the operation of which may at a subsequent date result in a change of control of the issuer				19
17. Related party transactions				**74-97 ; 260-261 ; 650-651**

	Third Amendment to the 2020 Universal Registration filed with the AMF on July 30th, 2021	Second Amendment to the 2020 Universal Registration filed with the AMF on April 30th, 2021 and approved on May 6, 2021	First Amendment to the 2020 Universal Registration filed with the AMF on April 30th, 2021 and approved on May 6, 2021	2020 Universal Registration Document filed with the AMF on March 12, 2021 and approved on May 6, 2021
18. Financial information concerning the issuer's assets and liabilities, financial position, and profits and losses				
18.1. Historical financial information	4-74 ; 78-204		56-66 ; 69	4 ; 22 ; 121-271 ; 493-531; 659
18.2. Interim and other financial information	4-74 ; 78-204		56-66 ; 69	NA
18.2.1 Interim audit report	205-206			
18.3. Auditing of historical annual financial information				272-277 ; 532-537
18.4. Pro forma financial information				NA
18.5. Dividend policy	5 ; 20 ; 26 ; 37			22 ; 25-26 ; 123 ; 147 ; 522 ; 623
18.6. Legal and arbitration proceedings	173-174		80-81	250-251
18.6.1 Information on any governmental, legal or arbitration proceedings during a period covering at least the previous 12 months	173-174		80-81	
18.7. Significant change in the issuer's financial or trading position	293-294		80	637
19. Additional information				
19.1. Share capital	170-172			18 ; 248-250 ; 513-515 ; 645 ; 672
19.2. Memorandum and articles of association				645-649
20. Material contracts				636
21. Documents on display	**293**	**5**	**80**	**636**

Pursuant to annexe I of Regulation (EU) 2017/1129, the following items are incorporated by reference:

- The consolidated financial statements for the year ended 31 December 2019 and the Statutory Auditors' report on the consolidated financial statements at 31 December 2019, presented respectively on pages 149-258 and 259-264 of Registration Document no. D. 20-0097 filed with the AMF on 3 March 2020; The information is available via the following link: https://invest.bnpparibas.com/sites/default/files/documents/bnp2019_urd_en_20_03_13.pdf
- The consolidated financial statements for the year ended 31 December 2018 and the Statutory Auditors' report on the consolidated financial statements at 31 December 2018, presented respectively on pages 149-269 and 270-276 of Registration Document no. D.19-0114 filed with the AMF on 5 March 2019; The information is available via the following link: https://invest.bnpparibas.com/sites/default/files/documents/ddr_2018_bnp_paribas_gb.pdf
- The consolidated financial statements for the year ended 31 December 2017 and the Statutory Auditors' report on the consolidated financial statements at 31 December 2017, presented respectively on pages 137-236 and 237-242 of Registration Document no. D.18-0101 filed with the AMF on 6 March 2018; The information is available via the following link: https://invest.bnpparibas.com/sites/default/files/documents/ddr2017_bnp_paribas_gb.pdf

7.2 Half-year financial report

The condensed 2021 half-year consolidated financial statements and the limited auditor's review report as at 30 June 2021 are presented respectively in pages 78 to 204 and 205 to 206.

7.3 Annual Financial Report

In order to assist readers of the annual financial report, the following table cross-references the information required by article L.451-1-2 of the French Monetary and Financial Code.

Annual financial report	Page
Statement by the person responsible for the Universal Registration document	**656**

Management report

The concordance table below makes it possible to identify in the Universel Registration Document filed with the Autorité des Marchés Financiers on 12 March 2021 the information that constitutes the management report of the Company (including the Report on Corporate governance) and the consolidated management report, as required by legal and regulatory provisions.

I. Company and Group Business and Situation

Information (reference texts)	Page
■ Company and Group position over the past year (L.232-1 II and L.233-26 of the French Commercial Code)	122-148 ; 164-270 ; 494-531
■ Objective and comprehensive analysis of business performance, results and the financial position of the Company and Group (L.225-100-1 I of the French Commercial Code)	122-148 ; 164-270 ; 494-531
■ Key financial and non-financial performance indicators for the Company and Group (L.225-100-1 I of the French Commercial Code)	122-159 ; 545 ; 551-554
■ Foreseeable developments of the Company and Group (L.232-1 II and L.233-26 of the French Commercial Code)	146-147
■ Key events occurring since the financial year-end and the preparation date of the management report (L.232-1 II and L.233-26 of the French Commercial Code)	637
■ Company and Group research and development activities (L.232-1 II and L.233-26 of the French Commercial Code)	N/A
■ Equity investments in, or takeovers of, companies that have their head office in France (L.233-6 and L.247-1 I of the French Commercial Code)	531
■ Business and results for the Company as a whole, Company subsidiaries and companies it controls by branch of activity (L.233-6 and L.247-1 I of the French Commercial Code)	6-17 ; 122-145
■ Existing Company branches (L.232-1 II of the French Commercial Code)	638-644
■ Information on Company locations and businesses (L.511-45 and R.511-16-4 of the French Monetary and Financial Code)	263-270 ; 638-644

II. Risk factors and characteristics of internal control procedures

Information (reference texts)	Page
■ Description of the main risks and contingencies faced by the Company and Group (L.225-100-1 I of the French Commercial Code)	285-304
■ Information on the financial risks related to the effects of climate change and measures taken by the Company and Group to reduce these through a low-carbon strategy applicable to all aspects of their business (L.22-10-35 of the French Commercial Code)	113
■ Objectives and policy for hedging each main transaction category by the Company and Group (L.225-100-1 I of the French Commercial Code)	440-443
■ Exposure to price, credit, liquidity and cash flow risks of the Company and Group (L.225-100-1 I of the French Commercial Code)	344-457
■ Main features of internal control and risk management procedures set up by the Company and Group relating to the preparation and processing of accounting and financial information (L.22-10-35 of the French Commercial Code)	115-119

III. Information on share capital

Information (reference texts)	Page
■ Name of individuals or legal entities holding directly or indirectly more than 5% of capital or voting rights and changes arising during the year (L.233-13 of the French Commercial Code)	18-19
■ Name of companies controlled and share of the Company's share capital held by them (L.233-13 of the French Commercial Code)	263-270
■ Employee share ownership status (L.225-102 of the French Commercial Code)	18-19
■ Securities acquired by employees under a corporate takeover transaction (L.225-102 of the French Commercial Code)	N/A
■ Share disposals made to regularise cross shareholdings (L.233-29 and R.233-19 of the French Commercial Code)	N/A
■ Information on share buyback transactions undertaken by the Company (L.225-211 of the French Commercial Code)	98-101 ; 248 ; 509
■ Any adjustments made to securities giving access to share capital (L.225-181, L.228-99, R225-137, R.228-91 of the French Commercial Code)	N/A
■ Summary of transactions carried out by corporate officers, executives, certain company managers and persons with close connections to them during the past year (223-26 of the AMF General Regulation, L.621-18-2 and R.621-43-1 of the French Monetary and Financial Code)	97

IV. Other accounting, financial and legal information

Information (reference texts)	Page
■ Information on payment terms (L.441-14 and D.441-4 of the French Commercial Code)	511
■ Amount of dividends distributed for the prior three years and revenue distributed eligible for the 40% tax reduction (243 bis of the French General Tax Code)	22
■ Injunctions or fines for anti-competitive practices (L.464-2 of the French Commercial Code)	N/A
■ Information on financial instruments with an agricultural commodity as their underlying and measures taken by the Company to prevent this having a significant impact on agricultural commodity prices (L.511-4-2 of the French Monetary and Financial Code)	N/A
■ Amount and features of loans financed or distributed by the Company or that they distribute as defined in III of Article 80 of the Planning Act for Social Cohesion Law No. 2005-32 of 18 January 2005 and hence covered by public guarantees. (L.511-4-1 of the French Monetary and Financial Code)	N/A
■ Return on Company assets (R.511-16-1 of the French Monetary and Financial Code)	334

V. Extra-financial performance statement and vigilance plan

Information (reference texts)	Page
■ Information on the labour and environmental impact relating to the Company, subsidiaries and controlled companies (L.22-10-36, L.225-102-1 III and R.225-105 of the French Commercial Code)	543-631
■ Information on the effects of the Company's activity with respect to respect for Human rights and fight against corruption and tax evasion (L.22-10-36 and R.225-105 of the French Commercial Code)	555-556 ; 615-621
■ Information on the Company, subsidiaries and controlled companies, relating to: ■ the consequences of climate change on the business and the use of goods and services, ■ social commitments to promote sustainable development, the circular economy, the fight against food waste and food poverty, respect for animal welfare and responsible, fair and sustainable food,	543-634

■ actions to fight against discrimination and promote diversity ■ measures taken in favor of people with disabilities (L.22-10-36, L.225-102-1 et R.225-105 of the French Commercial Code)	
■ Collective agreements agreed in the Company, subsidiaries and controlled companies and their impacts on the economic performance of the Company, subsidiaries and controlled companies as well as on employee working conditions (L.22-10-36, L.225-102-1 and R.225-105 of the French Commercial Code)	567-585
■ Information for companies operating at least one facility listed under article L.515-36 of the French Environmental Code (L.225-102-2 of the French Commercial Code)	N/A
■ Company's business plan (R.225-105 I of the French Commercial Code)	622-623
■ Social, environmental and civic information relevant to the main risks and policies of the company, its subsidiaries and controlled companies (R.225-105 II of the French Commercial Code)	Chapter 7
■ Vigilance plan (L.225-102-4 of the French Commercial Code)	615-618

VI. Report on Corporate governance

Information (reference texts)	Page
■ Information on the remuneration policy for directors and corporate officers (L.22-10-8 of the French Commercial Code)	75-80
■ Information on the remuneration and benefits in kind of the directors and corporate officers	81-90
■ Holding conditions for free shares allocated to corporate officers (L.225-197-1 of the French Commercial Code)	N/A
■ Conditions for exercising and holding options granted to directors and corporate officers (L.225-185 of the French Commercial Code)	91
■ List of all directorships and positions held in any company by each director and corporate officer during the year (L.22-10-10 et L.225-37-4 1° of the French Commercial Code)	33-45
■ Agreements entered into by one of the Company's directors or corporate officers and a subsidiary of the Company (L.22-10-10 et L.225-37-4 2° of the French Commercial Code)	46
■ Summary table of capital increase delegations (L.22-10-10 et L.225-37-4 3° of the French Commercial Code)	98-101
■ Arrangements for exercising General Management (L.22-10-10 et L.225-37-4 4° of the French Commercial Code)	48
■ Composition, and conditions governing the preparation and organisation of the work, of the Board of directors (L.22-10-10 1° of the French Commercial Code)	33-44 ; 53-60
■ Description of the diversity policy applied to the members of the Board of directors, as well as the objectives, how the policy was implemented and results obtained during the past financial year (L.22-10-10 2° of the French Commercial Code)	49-51 ; 67-74
■ Information on the way to ensure balanced representation of men and women in Management bodies and gender balance results in the top 10% of positions of higher levels of responsibility (L.22-10-10 2° of the French Commercial Code)	51 ; 572 ; 616
■ Any limits to the powers of the Chief Executive Officer imposed by the Board of directors (L.22-10-10 3° of the French Commercial Code)	48
■ Corporate governance code prepared by corporate representative organisations to which the Company refers (L.22-10-10 4° of the French Commercial Code)	46

■ Arrangements for shareholder participation at the general shareholders' meeting (L.22-10-10 5° of the French Commercial Code)	27-29
■ Description of the procedure relating to current agreements concluded under normal conditions put in place by the Company and its implementation (L.22-10-10 6° et L.22-10-12 of the French Commercial Code)	74
■ Items that could have an impact in case of a public tender offer (L.22-10-11 ° of the French Commercial Code)	101

Annexes	**Page**
■ Table summarising Company results over the last 5 years (R.225-102 of the French Commercial Code)	523
■ Report of one of the statutory auditors, appointed as independent third party, on the consolidated statement of extra-financial performance shown in the Group's Management Report (L.225-102-1, R.225-105 and R.225-105-1 of the French Commercial Code)	632-634
■ Statutory Auditors' report on the Board of directors' report on Corporate governance (L.22-10-71 of the French Commercial Code)	102

Financial statements	**Page**
■ Financial statements	493-531
■ Consolidated financial statements	532-538
■ Statutory Auditors' report on the parent company consolidated financial statements	161-271
■ Statutory Auditors' report on the consolidated financial statements	271-278

7.4 Appendice – Key information regarding the issuer, pursuant to Article 26.4 of European Regulation No 2017/1129

1) **Who is the issuer of securities?**

i. General information:

Head office: 16 boulevard des Italiens, 75009 Paris, France
Legal form: BNP PARIBAS is a limited company authorised as a bank under the provisions of the French Monetary and Financial Code (Book V, Title 1) on banking institutions.
Legal identity identifier : R0MUWSFPU8MPRO8K5P83
Law governing its activities: BNP Paribas is a company incorporated under French law and operates in many countries, both in Europe and outside Europe. Many foreign regulations can therefore govern its activities.
Country of origin: France

ii. Main activities:

BNP Paribas, Europe's leading provider of banking and financial services, has four domestic Retail Banking markets in Europe, namely in France, Belgium, Italy and Luxembourg.

It operates in 66 countries and has more nearly 190,000 employees, including nearly 150,000 in Europe. BNP Paribas holds key positions in its two main businesses:

- Retail Banking and Services, which includes:
  - Domestic Markets, comprising:
    - French Retail Banking (FRB),
    - BNL banca commerciale (BNL bc), Italian retail banking,
    - Belgian Retail Banking (BRB),
    - Other Domestic Markets activities including Arval, BNP Paribas Leasing Solutions, Personal Investors, Nickel and Luxembourg Retail Banking (LRB);
  - International Financial Services, comprising:
    - Europe-Mediterranean,
    - BancWest,
    - Personal Finance,
    - Insurance,
    - Wealth and Asset Management;
- Corporate and Institutional Banking (CIB):
    - Corporate Banking,
    - Global Markets,
    - Securities Services.

BNP Paribas SA is the parent company of the BNP Paribas Group.

iii. Main shareholders as at 30 June 2021 :

- SFPI[1] : 7.7% of share capital
- BlackRock Inc. : 6.0% of share capital
- Grand-Duché du Luxembourg : 1.0% of share capital

iv. Identity of key executives:

Jean LEMIERRE: Chairman of the Board of directors of BNP Paribas
Jean-Laurent BONNAFÉ: Director and Chief Executive of BNP Paribas
Thierry LABORDE, Chief Operating Officer, Retail Banking
Yann GERARDIN, Chief Operating Officer, Corporate & Institutional Banking

v. Identity of statutory auditors:

■ Deloitte & Associés was re-appointed as Statutory Auditor at the Annual General Meeting of 24 May 2018 for a six-year period expiring at the close of the Annual General Meeting called in 2024 to approve the financial statements for the year ending 31 December 2023. The firm was first appointed at the Annual General Meeting of 23 May 2006.

Deloitte & Associés is represented by Laurence Dubois

Deputy:

Société BEAS, 6, place de la Pyramide, Paris-La Défense Cedex (92), France, SIREN No. 315 172 445, Nanterre trade and companies register.

■ PricewaterhouseCoopers audit was re-appointed as Statutory Auditor at the Annual General Meeting of 24 May 2018 for a six-year period expiring at the close of the Annual General Meeting called in 2024 to approve the financial statements for the year ending 31 December 2023. The firm was first appointed at the Annual General Meeting of 26 May 1994.

PricewaterhouseCoopers Audit is represented by Patrice Morot.

Deputy:

Jean-Baptiste Deschryver, 63, rue de Villiers, Neuilly-sur-Seine (92).

■ Mazars was re-appointed as Statutory Auditor at the Annual General Meeting of 24 May 2018 for a six-year period expiring at the close of the Annual General Meeting called in 2024 to approve the financial statements for the year ending 31 December 2023. The firm was first appointed at the Annual General Meeting of 23 May 2000.

Mazars is represented by Virginie Chauvin.

Deputy:

Charles de Boisriou, 28 rue Fernand Forest, Suresnes (92).

Deloitte & Associés, PricewaterhouseCoopers and Mazars are registered as Statutory Auditors with the Versailles Regional Association of Statutory Auditors, under the authority of the French National Accounting Oversight Board *(Haut Conseil du Commissariat aux Comptes)*.

[1] Société Fédérale de Participations et d'Investissement: a public-interest limited company (*société anonyme*) acting on behalf of the Belgian State.

2) What are the key financial information about the issuer?

In millions of euros	Year 31/12/2020	Year-1 31/12/2019	Year-2 31/12/2018	Interim 30/06/21	Comparative interim from same period in prior year 30/06/20
Net interest income	21,312	21,127	21,062	10,823	10,707
Net fee and commission income	9,862	9,365	9,207	5,194	4,795
Net gain on financial instruments	7,146	7,464	6,118	4,283	4,025
Revenues	44,275	44,597	42,516	23,605	22,563
Cost of risk	(5,717)	(3,203)	(2,764)	(1,709)	(2,873)
Operating income	8,364	10,057	9,169	6,127	4,195
Net income attributable to equity holders	7,067	8,173	7,526	4,679	3,581
Earnings per share (in euros)	5,31	6.21	5.73	3.56	2.69

(*) Regulatory scope

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

In millions of euros	**Year 31/12/2020**	**Year -1 31/12/2019**	**Year-2 31/12/2018**	**Interim 30/06/21**	**Comparative interim from same period in prior year 30/06/20**
Total assets	2,488,491	2,164,713	2,040,836	2,671,803	2,622,988
Debt securities	212,351	221,336	206,359	239,945	224,303
Of which mid long term Senior Preferred	*82,086*(*)	*88,466*(*)	*88,381*(*)	na	na
Subordinated debt	23,325	20,896	18,414	23,162	22,555
Loans and receivables from customers (net)	809,533	805,777	765,871	825,226	828,053
Deposits from customers	940,991	834,667	796,548	1,000,870	963,183
Shareholders' equity (Group share)	112,799	107,453	101,467	115,991	111,469
Doubtful loans/ gross outstandings(**)	2.1%	2.2%	2.6%	2.1%	2.2%
Common Equity Tier 1 capital (CET1) ratio	12.8%	12.1%	11.8%	12.9%	12.4%
Total Capital Ratio	16.4%	15.5%	15.0%	16.5%	15.9%
Leverage Ratio(***)	4.9%	4.6%	4.5%	4.0%	4.0%

(*) Regulatory scope.

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

(***)Taking into account the temporary exemption related to deposits with Eurosytem central banks (calculated in accordance with Regulation (EU) No. 2020/873, Article 500b). It amounts to 4.4% as at 31.12.20 excluding this effect.

A brief description of any qualifications in the audit report relating to the historical financial information: N/A

3) What are the specific risks of the issuer?

The presentation of the risk factors below consists of a non-exhaustive selection of the main risks specific to BNP Paribas, to be supplemented by an examination by the investor of all the risk factors contained in the prospectus.

1. A substantial increase in new provisions or a shortfall in the level of previously recorded provisions exposed to credit risk and counterparty risk could adversely affect the BNP Paribas Group's results of operations and financial condition
2. An interruption in or a breach of the BNP Paribas Group's information systems may cause substantial losses of client or customer information, damage to the BNP Paribas Group's reputation and result in financial losses
3. The BNP Paribas Group may incur significant losses on its trading and investment activities due to market fluctuations and volatility
4. Adjustments to the carrying value of the BNP Paribas Group's securities and derivatives portfolios and the BNP Paribas Group's own debt could have an adverse effect on its net income and shareholders' equity
5. The BNP Paribas Group's access to and cost of funding could be adversely affected by a resurgence of financial crises, worsening economic conditions, rating downgrades, increases in sovereign credit spreads or other factors
6. Adverse economic and financial conditions have in the past had and may in the future have an impact on the BNP Paribas Group and the markets in which it operates
7. Laws and regulations adopted in recent years, particularly in response to the global financial crisis, as well as new legislative proposals, may materially impact the BNP Paribas Group and the financial and economic environment in which it operates
8. The BNP Paribas Group may incur substantial fines and other administrative and criminal penalties for non-compliance with applicable laws and regulations, and may also incur losses in related (or unrelated) litigation with private parties
9. Epidemics and pandemics, including the ongoing coronavirus (COVID-19) pandemic and their economic consequences may adversely affect the Group's business, operations and financial condition