



# Global Anti-Corruption Policy

<b>Issuer</b>	Compliance
<b>Issuer (Domain / Transversal team / OP / Region)</b>	GFS Paris & Professional Ethics
<b>Issuer team</b>	Anti-Bribery and Corruption Department

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<b>Higher level procedures</b>	DG0038EN – BNP Paribas Group Code of Conduct DG0018EN – Compliance Function Charter DG0020EN – BNP Paribas Internal Control Charter
	CONDUCT, PROFESSIONAL ETHICS <ul style="list-style-type: none"> <li>CG0067 – Gifts and Invitations Procedure</li> <li>CPL0038 -Group whistleblowing procedure &amp; EP0012 Operating guide whistleblowing framework (and appendix: Confidentiality rules BNP Paribas Whistleblowing System).</li> <li>CPL0319 Global Personal account dealing Policy of BNP Paribas Group</li> <li>CG0099 – Global Policy for conflicts of interest involving Employees</li> </ul>





<p><b>Related procedures</b></p>	<ul style="list-style-type: none"> <li>▪ CG0129 – Procedure for declaring and authorising certain corporate offices held by employees of the BNP Paribas Group on a private basis, outside their professional activity</li> <li>▪ DG0049 – Corporate offices held by BNP Paribas Group legal Entities and employees Appointment, renewal and termination procedure</li> </ul> <p>AML, FINANCIAL SECURITY</p> <ul style="list-style-type: none"> <li>▪ CPL0287 – Group AML/CTF Transaction Monitoring Alert Management Procedure</li> <li>▪ CPL0248 Policy applicable to activities in relation to countries where BNP Paribas has no physical presence</li> <li>▪ CPL0254 – Classification of money laundering, terrorism financing and international financial sanctions risks</li> </ul> <p>SANCTIONS, FINANCIAL SECURITY</p> <ul style="list-style-type: none"> <li>▪ CPL0245 – Global Sanctions Policy</li> <li>▪ CPL0272 - General framework for the treatment of sanction alerts</li> <li>▪ CPL0128 Screening of relationships</li> </ul> <p>DUE DILIGENCE ON THIRD PARTIES</p> <ul style="list-style-type: none"> <li>▪ CPL0252 – Know Your Client Global Policy</li> <li>▪ CG0030 – Policy applicable to relationships with Politically Exposed Persons (PEPs)</li> <li>▪ CPL0083 – Group Policy on Intermediaries</li> <li>▪ ITP0089 – Group Procurement Norms</li> <li>▪ ITP0072 – Rules of conduct concerning relationships between BNPP employees and suppliers</li> <li>▪ CPL0293 – Supplier Knowledge</li> <li>▪ Charter for responsible representation with respect to the public authorities</li> </ul> <p>HUMAN RESOURCES</p> <ul style="list-style-type: none"> <li>▪ RHG0027 – External recruitment of BNPP Group employees – organisation and guiding principles</li> <li>▪ RHG0054 – Group policy on penalties for misconduct by employees</li> </ul> <p>RISK</p> <ul style="list-style-type: none"> <li>▪ RISK0347 – Group Global Policy for Preventing, Detecting and Managing Fraud</li> <li>▪ RISK0327 – Organizational framework and governance for operational risk management and permanent control framework</li> </ul>
<p><b>Regulatory texts</b></p>	<ul style="list-style-type: none"> <li>▪ French law on transparency, the fight against corruption and the modernization of the economy of 2016 (known as the Sapin II Law)</li> <li>▪ French Anti-Corruption Agency (AFA) recommendations</li> <li>▪ SCPC/Tracfin Guide to detecting potentially corrupt financial transactions (2014)</li> <li>▪ UK Bribery Act 2010; UK Bribery Act Guidance</li> <li>▪ Foreign Corrupt Practices Act of 1977; FCPA Guidance</li> <li>▪ United Nations Convention against Corruption of 2003</li> <li>▪ OECD – Typologies on the role of intermediaries in international business transactions of 2009</li> <li>▪ Wolfsberg Anti-Corruption Guidance (2011)</li> </ul>





## EXECUTIVE SUMMARY

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The Global Anti-Corruption Policy states management's expectations to all of our employees to take an active part in fighting corruption to prevent and detect corruption.

The deployment, coordination and supervision of the Group Anti Bribery and Corruption (ABC) framework is conducted by the ABC Department which relies on the expertise of ABC Correspondents and points of contacts within all levels of the organisation including the Business, Compliance Domains and concerned Functions.

The policy lays down principles, roles and responsibilities of the first and second line of defence to be applied by all Group entities to prevent, detect and report corruption.

These principles are organised to follow the pillars of article 17 of the French Sapin II Law covering from an anticorruption angle the following topics: Code of Conduct, whistleblowing channels, assessment of corruption risks, third parties due diligence, accounting controls, training and communication, internal controls and disciplinary regime.





## WHAT'S NEW?

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This updated version of the Global Anti-Bribery and Corruption (ABC) Policy was thoroughly reviewed and reorganised with several objectives:

- To **organise the procedure following the pillars of the Sapin II law** in line with the strategy adopted to deploy the ABC norms and controls (ABC framework) throughout the Group.
- To **highlight existing norms and controls** from the Compliance Domains and Group Functions contributing to the detection and prevention of corruption.
- To align norms and controls with **recommendations of the Agence Française Anticorruption (AFA)** whenever relevant to BNPP organization and risk profile
- To introduce **operational instructions** to assist BNPP employees contributing to the deployment of the ABC framework.
- To clarify **roles and responsibilities** of the LoD1, LoD2 and LoD3 and among them ABC correspondents.

Key changes in the procedure include:

- **Governance:** clarification on the Business implication in the framework, the role of the ABC Department and on the nomination of ABC correspondents.
- **Interest representation:** new section of the procedure on interest representation (aka Lobbying), to set principles framing interactions with concerned public decision makers.
- **Whistleblowing:** clarifications on the role of the ABC Correspondent.
- **Risk Assessment:** alignment of the ABC Risk Assessment (RA) to the Risk and Control Self-Assessment (RCSA) methodology.
- **Third parties due diligence:** minimum set of verifications to be conducted and mitigation measures on all third parties. The mandatory participation of the ABC Correspondent in CAC/IAC involving PEPs and adverse information was removed to focus on corruption matters with a high reputation risk.
- **G500, MRTs and SMPs employees** are checked to verify whether they are considered as or are related to Politically Exposed Persons.
- **Accounting controls:** new section of the procedure with roles and responsibilities on accounting controls to prevent corruption.
- **Training and communication:** description of expectations in terms of training taking into account efforts made regarding most exposed staff.
- **Disciplinary regime:** new section of the procedure highlighting agreed changes made inside Human Resources and Risk procedures regarding the disciplinary process for corruption cases.
- **Internal controls:** the section was enriched to include a description of channels to detect and report corruption, roles and responsibilities of ABC Correspondents vis-a-vis existing Delegation Holders and the process to record and consolidate corruption related incidents.







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## 1 OBJECTIVES

This policy is part of our top management's business strategy and societal commitment. It states management's expectations to all of our employees<sup>1</sup> to take an active part in fighting corruption and sets forth BNP Paribas program to prevent and detect corruption.

The policy strives to bring visibility to but also to strengthen existing processes and controls that contribute to the fight against bribery and corruption within BNP Paribas. The policies, procedures, tools and controls of this framework are, for the most part, integrated into the existing operational frameworks (particularly those for combating fraud and those related to Financial Security and Professional Ethics).

The policy<sup>2</sup> aims to align the Group with the existing extraterritorial anti-corruption norms and standards that include the French Sapin II Law<sup>3</sup>, the USA Foreign Corrupt Practices Act (FCPA)<sup>4</sup> and the UK Bribery Act<sup>5</sup>. BNPP Entities must ensure that they incorporate these standards into their local operational procedures whilst also taking into account specific local regulations on anti-corruption. This policy is structured following the pillars envisaged in Article 17 of the Sapin II law.<sup>6</sup>

## 2 SCOPE

In line with the CCC0016EN Compliance procedure management, the requirements herein must be applied by all Group Entities<sup>7</sup>. The Policy can be tailored when it needs to be adapted to a specific context or in order to comply with local regulatory, supervisory or legal obligations.

Any request for an exception, amendment or modification of this Policy must be sent to the Anti-Bribery and Corruption Department<sup>8</sup> (ABC Department) for approval, particularly when the local legal or regulatory framework does not permit its full implementation.<sup>9</sup>

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<sup>1</sup> See "employee" in Glossary

<sup>2</sup> The former policy published in 2017 already had as objective to cover the requirements from these 3 extraterritorial laws.

<sup>3</sup> Transparency, Anti-Corruption and Economic Modernisation Act 2016-1691 of 9 December 2016.

<sup>4</sup> US Foreign Corrupt Practices Act of 1977

<sup>5</sup> UK Bribery Act of 2010.

<sup>6</sup> This is to follow the organisation of the BNPP anti-corruption framework. This does not imply that the work conducted in one pillar does not impact or is not relevant for the work conducted in another pillar. Pillars covered under Article 17 are: Code of conduct, Whistleblowing, Risk Mapping, Third Parties due diligence, Accounting Controls, Training, Disciplinary Regime and Internal Controls.

<sup>7</sup> See "scope" in Glossary.

<sup>8</sup> In the event that the exception concerns a framework owned by a specific Compliance Domain or by a specific Function (for example the framework related to suppliers is owned by Group Strategic Sourcing - GSS), the ABC Department will coordinate with the respective Domain/Function for the decision.

<sup>9</sup> The escalation process to request a derogation to the ABC department should follow through the ABC correspondents at the entity/BL/region or OP level.

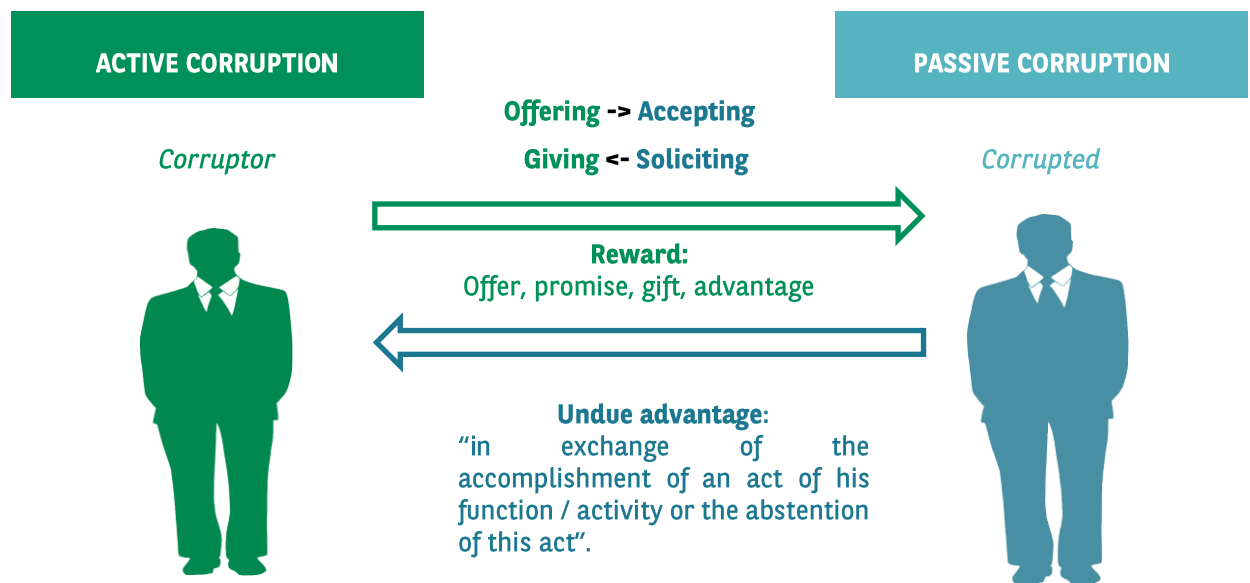




### 3 INTRODUCTION

#### 3.1 What is corruption?

An act of corruption is defined as offering, giving, soliciting or accepting a reward (or promise of a reward) of any nature to use one's professional prerogatives (whether in the public or private sector) to obtain an undue advantage.



Some key concepts to understand about corruption:

- **Passive corruption:** the reward is solicited or received by the **corrupted** person.
- **Active corruption:** the reward is offered or given by the **corruptor**.
- The reward may be granted **directly** (e.g. cash handed over personally) or **indirectly** (e.g. an intermediary).
- A reward or bribe can be of **monetary or non-monetary value**; it may take different forms for example giving cash, an item (gift) or a service, a charitable donation, the promise or offer of employment, the transmission of confidential or inside information, facilitation payments<sup>10</sup> etc.
- The reward **can benefit the person who exercises the function or anyone**; (his/her family, associates or others).
- The **reward is a mean** leading to a **result called undue advantage**.

<sup>10</sup> BNPP forbids all facilitation payments, meaning all unofficial cash payments (often small amounts) in order to expedite the performance of a routine or necessary task by a public official to which the payer has legal or other entitlement



- **The undue advantage** is materialised by the fact that the corrupted person will accomplish or abstain from accomplishing an act of his function/activity or facilitated by his function/activity.
- Corruption can take many forms and the term itself, depending on the legislation, **encompasses many related offences** such as influence peddling, misappropriation of public funds and favouritism. The framework described in this Policy intends to prevent and detect corruption as well as these associated offences (see Glossary “related corruption offences” in the Appendix).
- BNP Paribas has chosen to distinguish internal from external corruption in its ABC framework:
  - **Internal** corruption refers to the active or passive participation of a BNPP employee in an act of corruption (whether in his/her own interests or those of the Group).
  - On the other hand, **External** corruption refers to cases where the probity / integrity of a BNPP employee is not called into question and where the Group is unintentionally involved in or made aware/informed of an act of corruption committed by one of its clients or any other of its business relationships. The risk of “external corruption” is mitigated by the Group Financial Security framework to prevent money laundering.

### 3.2 Why is it important to fight corruption?

Corruption is a **key element of economic under-performance**. It distorts markets, and is a common feature of organised crime, terrorism and its financing. Corruption also **significantly undermines democracy and leads to violation of human rights**. Because corruption is an insidious and evolving phenomenon, impacting all countries and all organisations, whether private or public, big or small, the Group and all its employees must remain vigilant.

French Sapin II law, as well as the USA FCPA and UK Bribery Act among other anti-corruption legislations worldwide prohibit bribery (in particular bribery of public officials) and all forms of corruption more broadly. Violations of these laws can subject entities, their directors, officers, employees and agents to **significant criminal and civil penalties**.

France’s anti-corruption laws<sup>11</sup>, reinforced by the Sapin II Law in December 2016, go further in requiring large companies<sup>12</sup> to implement anti-corruption compliance programs. Thus, companies not involved in corrupt acts may still be subject to regulatory proceedings for failure to implement an adequate anti-

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<sup>11</sup> Public and private corruption are criminal offences under various provisions of the French criminal code. Acts of corruption involving public officials whether located in France or abroad are subject to specific provisions under the French criminal code.

<sup>12</sup> Article 17 of the Sapin II law defines “large companies” as all companies incorporated under French law which employ at least 500 employees, or are part of a group of companies employing at least 500 employees, with a parent company incorporated in France, and with a gross annual revenue or consolidated revenues of over EUR 100 million. The scope includes all subsidiaries and companies under the control of the parent company located in France or abroad. Under article 17 of Sapin II Law, the CEOs, managing directors and managers as well as members of the managing boards of limited companies, of Large Companies are also subjected to the provisions of this law.





corruption compliance program<sup>13</sup>. The French Anti-Corruption Agency (Agence Française Anti-Corruption, AFA) oversees compliance of internal norms with Sapin II and has issued recommendations and guidelines for best practices to follow international standards.

As a multinational institution, BNP Paribas Group is also subject to other anti-corruption laws some of which, like Sapin II Law, have an **extraterritorial jurisdictional scope** such as USA FCPA and the UK Bribery Act. Therefore, non-compliance with this procedure exposes the Group and, in certain circumstances, its managers and/or employees to disciplinary measures, criminal as well as administrative penalties. Non-compliance may also affect the Group's ability to participate in public tenders<sup>14</sup> as well as damage its reputation.

### 3.3 What is BNP Paribas stance on corruption?

BNPP undertakes to conduct its business with honesty and in compliance with applicable laws. Corruption being both contrary to ethics and the law, the Group has made public commitments on the matter, such as adhering to the United Nations Global Compact, and supporting anti-corruption measures initiated by other international organizations like the Organisation for Economic Co-operation and Development (OECD)<sup>15</sup>.

BNPP has adopted a **zero-tolerance attitude to corruption, whatever its form and whatever the circumstances in which it may occur**. This commitment is explicitly made by the top management and the Executive Committee in the Anti-corruption addendum to the Code of Conduct. It is incorporated into the internal rules ("règlement intérieur" in France) of BNP Paribas SA and its concerned subsidiaries in France.

Employees have the duty and responsibility to support the Group in this initiative. The fight against corruption should become everyone's concern. In addition to the obligation not to take part in corruption, all staff have the professional obligation to help prevent such acts and to signal any that they may witness.

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<sup>13</sup> May lead to caution notices addressed to the Top Management, injunctions to implement the anti-corruption compliance program and penalties for both individuals (up to EUR 200.000) and companies (up to EUR 1 million).

<sup>14</sup> EU Directive 2014/24/EU, Ordonnance n°2015-899 23 July 2015, if sanctioned for corruption, companies will be barred from participating in public tenders in EU.

<sup>15</sup> The Ten Principles of the United Nations Global Compact: <https://www.unglobalcompact.org/what-is-gc/mission/principles>; the OECD directives for multinational companies, recognized throughout the world: <http://mneguidelines.oecd.org/guidelines/>





## 4 BNP PARIBAS GOVERNANCE ON ANTI-BRIBERY AND CORRUPTION

Responsibility to address corruption and deploy BNP Paribas's anti-corruption framework rests with every employee, with a particular responsibility for the business given its position as first line of defence. However, BNP Paribas CEO delegated to the Head of the Compliance Function the implementation of the Group's anti-bribery and corruption framework of norms, standards and controls (ABC framework).

### 4.1 Business Management involvement in the ABC framework

The Group's management commitment to a zero tolerance for corruption and influence peddling was reminded by BNP Paribas CEO, Jean-Laurent Bonnafé in his statement in January 2018<sup>16</sup>. The Group's management<sup>17</sup> is responsible for:

- Validating the ABC framework and roadmap<sup>18</sup> presented by the Head of the Compliance Function, the Head of Professional Ethics, and the Head of the ABC Department at least once a year within a committee with the participation of the Group CEO and its deputies<sup>19</sup>.
- Ensuring, in liaison with the Compliance Function, that financial resources are adequate to meet the requirements of the ABC norms and standards.
- Ensuring that the Business and the concerned Functions act as the 1st Line of Defence (LoD1) by establishing and maintaining procedures, systems and controls to comply with this policy.
- Communicating and reminding employees of the importance of their role in anti-bribery and anticorruption compliance.

### 4.2 The ABC Department

The Anti-Bribery and Corruption Department (ABC Department) is responsible for defining, coordinating and ensuring the consistency of the ABC framework across the Group. It reports to the Head of Professional Ethics. To that end, the ABC Department:

- Organises and chairs the Group Anti-Corruption Committees gathering the main stakeholders and contributors in the fight against corruption<sup>20</sup>,

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<sup>16</sup> Available on the Group's echonet page at <https://echonet.bnpparibas/pages/5e04d048c133fcd92421ff2>

<sup>17</sup> Represented by the Group's Executive Committee.

<sup>18</sup> Through the presentation of the ABC Annual Report which contains results of the corruption risk assessment, achievements and next steps in the implementation of the ABC framework.

<sup>19</sup> For example within the Group Supervisory and Control Committee (GSCC).

<sup>20</sup> Actions undertaken by the ABC Department and the relevant stakeholders regarding the Group's ABC framework are described inside the "ABC Digest" published and updated on a regular basis by the ABC Department.





- Supervises and coordinates actions undertaken to ensure the Group's framework is compliant with the requirements of ABC norms and standards,
- Defines the ABC framework with the relevant stakeholders<sup>21</sup> and take into account market practices and guidance from relevant regulators and supervisory agencies,
- Helps and advises relevant stakeholders in the implementation of the ABC framework,
- Is consulted on a mandatory basis on corruption cases escalated to the Group or Central Functions when they pose significant reputation risks. The ABC Department can be consulted on demand at the specific request of the relevant stakeholders,
- Consolidates indicators at Group Level to ensure the proper risk supervision of the ABC framework and detected corruption cases,
- Coordinates the World Bank listing of ineligible firms and individuals' screening<sup>22</sup>. The ABC Department coordinates the annual screening of BNPP counterparties that are available in SUN<sup>23</sup> in order to detect potential matches. Identified hits are sent to ABC Correspondents from Operational Perimeters (OP) and Regions for investigation by the concerned Business Lines/Entities. The qualification of 'true' hit constitutes a trigger event for recertification of the relationship<sup>24</sup>,
- Maintains the "ABC Digest" and ABC Sharepoint,
- Performs ad-hoc on-site visits. The ABC Department may conduct dedicated onsite visits of entities to assist and advise local teams in improving their ABC framework. These visits may be conducted at the request of the entities when for example specific corruption risks have been identified,
- Contributes, promotes and participates in Group trainings on the fight against corruption and ensure that objectives (target, frequency) are met,
- Oversees the elaboration of the corruption risk assessment, by supporting the stakeholders involved in the identification of the corruption risks and the implementation of the appropriate mitigation measures and remediation plans,
- Coordinates the elaboration of the ABC annual report for the Group Management which presents results of the corruption risk assessment, achievements and next steps in the implementation of the ABC framework,
- Is the contact of the French Anti-Corruption Agency (AFA) and other relevant regulators and supervisory agencies that may contact the Group on corruption related matters.

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<sup>21</sup> Compliance Domains, Group Functions, Operational Perimeters and their Business Lines.

<sup>22</sup> The World Bank lists firms and individuals ineligible to be awarded a World Bank-financed contract as they have been sanctioned under the World Bank's fraud and corruption policy. The World Bank List can be found here: <http://www.worldbank.org/en/projects-operations/procurement/debarred-firms>

<sup>23</sup> The screening is conducted by the OPR Team on the available list of BNPP counterparties. The ABC Department aims at implementing the World Bank's list into the Group's Vigilance tool for screening at onboarding and recertification stages

<sup>24</sup> Concerned local Compliance teams receiving the list of identified 'hits' must: (1) confirm the existence or not of the counterparty (2) if the counterparty exists, determine if its presence in the World Bank list has been taken into account when assessing the counterparty during the latest due diligence (3) if yes, no further action is needed. If not, the Compliance analysis must be performed again and renewed to assess the need to impose new conditions on the relationship (such as restrictions) or terminate the relationship in light of this information. Results of local investigations are transmitted to the respective OP/Regions ABC Correspondents (who will inform the ABC Department accordingly).







## 4.3 BNP Paribas Anti-Bribery and Corruption committees

### 4.3.1 ABC Governance Committee (GOVCO)

The ABC Department chairs with the Head of Professional Ethics the quarterly ABC Governance Committee (GOVCO) gathering the main Group's contributors in the fight against corruption<sup>25</sup>.

- The ABC Governance Committee is responsible for i/ validating the orientations presented by the ABC Department, ii/ requesting amendments if necessary, iii/ ensuring that mandates are understood and "owned" by all key stakeholders and iv/ ensuring that adequate resources are in place.
- The ABC Department is responsible for i/ updating the Governance Committee on the ABC framework ii/ recommending strategic orientations that were discussed during the Operational Committees and presenting potential issues or difficulties escalated during the Operational Committees along with recommendations.
- Participating Functions and Compliance Domains owners of specific parts of the framework are responsible to present progress made and potential difficulties.
- Participating Operational Perimeters (OPs) and Regions are responsible for updating the ABC Governance Committee on the development of the ABC framework in their perimeter.

ABC Governance Committees are also organised by ABC Compliance Correspondents<sup>26</sup> quarterly at OPs and Regions levels with the participation of representatives of their Business Lines and concerned Functions. Similar ABC Governance Committees are held as a minimum twice a year at Business Line (BL) levels with the participation of their respective entities. In the OPs/Regions or BLs ABC Governance Committees, ABC Compliance Correspondents present the implementation of the ABC framework while ensuring consistency in their respective perimeters.

### 4.3.2 ABC Operational Committees (OPCO)

The ABC Department chairs a monthly ABC Operational Committee (OPCO) consisting of all OPs & Regions ABC Compliance Correspondents and the ABC Correspondent in Group Compliance Advisory. Other ABC Correspondents may be invited on ad-hoc basis to discuss specific topics.

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<sup>25</sup> See Appendix with the members of the Group ABC GOVCO and owners of specific parts of the framework.

<sup>26</sup> See section 4.5.





## 4.4 Anti-Bribery and Corruption (ABC) Correspondents

ABC Correspondents are a key component of the ABC framework within the organization mainly through<sup>27</sup>,

- The communication and adaptation of the Group ABC framework in their perimeters,
- The reporting to the ABC Department of the specificities, risks and needs of their perimeters.

### 4.4.1 ABC Correspondents within Compliance

All the Operational Perimeters and Regions Compliance Heads appoint Anti-Bribery and Corruption (ABC) Compliance Correspondents at their level including within their respective Business Lines and Entities<sup>28</sup>. The Compliance ABC Correspondents ensure the supervision and follow up the implementation of the ABC framework within their perimeters. They are the point of contact for the ABC Department.

ABC Compliance Correspondents should be permanent employees and experienced Compliance professionals. The Management at Operational Perimeter, Business Line and Entity levels ensure that their ABC Compliance Correspondents have access to the resources, delegation and information they need to fulfil their mission.

The appointment of the ABC Compliance Correspondents is formalised through both of the following two actions:

- (1) The formal communication of the Group ABC Compliance Correspondents Mission Statement by the Compliance Heads to the person(s) nominated to act as ABC correspondent in Compliance and
- (2) The inclusion of the responsibilities contained in the Mission Statement inside the ABC Compliance Correspondent's job description or the individual's annual objectives.

### 4.4.2 ABC Correspondents within Functions

Concerned Group Functions<sup>29</sup> Heads appoint Anti-Bribery and Corruption (ABC) Function Correspondents within their central teams as well as within Function teams at Operational Perimeter and Business Line levels<sup>30</sup>. ABC Function Correspondents participate in the Group ABC Governance Committee as well as in the ABC Governance Committees held at Operational Perimeter and Business Line levels.

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<sup>27</sup> Mission Statements can be found in Appendix. They may be amended provided amendments are validated by the ABC Department.

<sup>28</sup> Depending on the entities' organization and exposure to the risks of bribery and corruption, one ABC Compliance Correspondent may exceptionally cover several entities but this should be clearly formalized and outlined in the communication of the Mission Statement for ABC Correspondents in Compliance.

<sup>29</sup> Legal, Human Resources, Communication, Finance, Procurement and Risk. Depending on their organization, certain Functions may not have representatives at OP, Region or Business Line levels. In which case, one Correspondent may exceptionally cover several perimeters but this should be clearly formalized and outlined in the communication of the Mission Statement for ABC Correspondents in Functions.

<sup>30</sup> In coordination with Compliance ABC Correspondents at Operational and Business Line Levels.





The appointment of the ABC Function Correspondents is formalised through both of the following two actions:

- (1) The formal communication of the ABC Functions Correspondent Mission Statement by the Head of the Function at the concerned level to the person(s) nominated to act as ABC correspondent in the Function and
- (2) The inclusion of the responsibilities contained in the Mission Statement inside the ABC Function Correspondent's job description or the individual's annual objectives.

#### 4.4.3 ABC Business Points of Contact

Business Heads appoint Anti-Bribery and Corruption (ABC) Business Points of Contact<sup>31</sup> at OPs, Regions and Business Lines levels. They take part in the ABC Governance Committees held at OP and/or BLs levels.

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<sup>31</sup> ABC Business Points of Contact Mission Statement is found in Appendix and should be included in the appointed ABC Business Point of Contact's job description or annual objectives.





## 5 ANTI-CORRUPTION IN THE CODE OF CONDUCT

### 5.1 The Group Code of Conduct

The Group's Code of Conduct embodies BNPP top management's commitment to the values and principles that must guide our behaviour and actions. It includes an addendum dedicated to the fight against corruption, providing illustrations of situations and behaviours that are either prohibited or should raise questions in the areas of interest representation (lobbying), gifts and invitations, facilitation and other cash payments, data confidentiality, donations, conflicts of interest among other topics.

The Code of Conduct with its anti-corruption addendum is the base of BNPP Group Conduct Framework. The Code has been translated into the official BNPP languages (French, English, Italian) available on the BNPP external website as well as on BNPP Intranet (EchoNet).

Wide communication of the Code of Conduct is to be put in place targeting employees and at least high risk intermediaries and suppliers as well as any other high risk contractors. The objective is to ensure that the Code is known by all and that it supports decisions on a daily basis. An online training on the Code of Conduct developed at Group level is mandatory to all employees.

Different stakeholders may be involved in communicating to different audiences about the Code (HR, communication, procurement, etc). A reminder of the Code also appears in the mandatory anti-corruption awareness online training available by the Group. At each entity, other types of communication about the Code of Conduct may be conducted.

### 5.2 Conduct regarding interest representation activities

Interest representation (often referred to as lobbying) consists in an individual or a company attempting to have an influence on public decisions through communication with a public official. Actions giving rise to undue pressure, and particularly the granting of any reward, are likely to be deemed corruption or influence peddling. It is therefore vital that relationships with public officials, in the context of activities such as representing the corporate interests of BNP Paribas, are conducted in strict compliance with the regulations and ethical norms in force in the Group procedures.





### 5.2.1 Specific framework regarding interest representation activities with French public officials

In France, BNPP's interest representation framework<sup>32</sup> takes into account the Sapin II law and the guidelines published by the High Authority for Transparency in Public Life (Haute Autorité pour la Transparence de la Vie Publique in French, HATVP). This framework is coordinated by the Public Affairs Department (Département des affaires institutionnels, DAI) for the entire BNP Paribas Group.

The Group has decided to prohibit employees of BNP Paribas Group – including its subsidiaries – from carrying out representation activity as covered by the law except for the employees specifically named or subject to exceptions granted by the Head of the DAI.

For France, LoD1 controls must be put in place under the individual responsibility of each entity concerned (for example each Group Function or Business Line) with coordination ensured by DAI to ensure interactions with concerned public decision makers are recorded and formalised in order for activities covered by the law to be accurately and exhaustively communicated on an annual basis to the HATVP. LoD2 controls are conducted by Compliance<sup>33</sup>.

When interacting with categories of French public decision makers not included in the scope of the Sapin II Law, employees must comply with principles set in the Charter for responsible representation (see following section).

### 5.2.2 Framework regarding interest representation in all BNPP entities

The Charter for responsible representation with respect to public authorities<sup>34</sup> of the DAI has been endorsed by the Group Executive Committee as well as the Board of Directors of BNP Paribas. It sets out ethical and reporting obligations applying to all Group employees<sup>35</sup> in direct or indirect contact with a public decision-maker together with the general principles in terms of transparency, governance and training.

In addition, the Group Gifts and Invitations Procedure (CG0067) prohibits direct and indirect donations and contributions to politicians and political parties.

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<sup>32</sup> BNPP framework was communicated in November 2017 by Philippe Bordenave Chief Operating Officer of BNP Paribas and is described inside Legal procedure LEG615 (published in July 2018) and its information note L6064 (published in February 2018).

<sup>33</sup> Specific 1<sup>st</sup> and 2<sup>nd</sup> level control are currently being designed under the joint responsibility of the DAI and Professional Ethics central team.

<sup>34</sup> Publicly available on BNPP Corporate website: <https://group.bnpparibas/charte-representation-responsable-aupres-autorites-publiques>

<sup>35</sup> The scope of the Charter sets wider obligations than the dedicated framework of the Sapin II Law dedicated to interactions with French public officials (see comparison table in Appendix).





In accordance with the Charter entities must have in place clear governance, operational processes and controls to ensure that its terms are respected:

- Local Business management is responsible for ensuring that appropriate governance and first level controls are in place. Local management communicates the Charter, identifies, consolidates, coordinates and reports to the appropriate authorities (when applicable) interest representation activities in their perimeter.
- Legal is responsible to analyze local regulatory obligations in order to adapt the local framework accordingly.
- Local Compliance provides its expertise to the Local Management to ensure the local control framework is efficiently operationalized. Compliance independently challenges the framework and controls put in place by the first line of defence and communicates deficiencies to the local ABC Correspondent.

### 5.3 Conduct related key procedural framework

The Code of Conduct makes reference to certain sensitive areas, three of which (gifts and invitations, conflict of interests, external mandates held on a private basis) are particularly important given the corruption and reputational risks involved. This section provides a short overview of topics linked to several ABC pillars and explained in detail in other procedures:

- **Situations involving gifts, invitations and other advantages:** the exchange of gifts and invitations is an accepted practice part of doing business in many countries in which BNP Paribas operates. However in certain instances gifts and/or invitations could be perceived to be lavish or excessive, or given/received as an inducement for the purpose of improperly obtaining or retaining a business or securing an advantage. There is a risk that Employees and individuals or entities involved could abuse this practice leading BNP Paribas and/or the Employee(s) to becoming liable under applicable laws and regulatory provisions. The Group's Gifts and Invitations Procedure (CPL0067) provides for detailed rules in this regard. In particular, in the context of their professional activities, BNPP employees must not, directly or indirectly:
  - Offer a gift at his/her own expense.
  - Request any gift.
  - Accept or offer any gift or payment in cash or cash equivalent.
  - Receive from a client or partner any personal remuneration for professional services
  - Benefit (personally or for a family member or close relative) from a client's bequest, donation or life insurance, etc.
- **Situations involving conflicts of interest:** most situations of internal corruption are linked to undisclosed or unmanaged conflicts of interest. It is important for employees to understand and





identify potential or actual conflicts of interests. This allow employees to declare conflicts of interests whenever relevant, and be able to manage them with Compliance. The relevant procedures are the Global Policy for Conflicts of Interest involving Employees (CPL0099) and the Procedure for declaring and authorising certain corporate offices held by employees on a private basis, outside their professional activity (CPL0129).





## 6 WHISTLEBLOWING CHANNELS

One of the ways to detect behaviour and situations that could be considered corruption is through an alert raised using BNPP whistleblowing channels. No matter the amount at stake, corruption is a major risk for the Group and can only be mitigated with appropriate measures if it is unveiled. Raising an alert protects the Group, its reputation, and our employees but above all, it promotes fair play and sustains our commitment to fighting corruption in all of its forms.

The BNPP Group has different whistleblowing channels (at Group, OP, Regions, BLs or local levels), to which various types of breaches or suspected breaches can be raised, among which corruption<sup>36</sup>. Alerts are strictly confidential and employees are protected from retaliation when alerts are raised in good faith, even in case of a mistake.

Any employee who suspects or knows of an act of corruption has a duty to report it. S/he must alert its entity or the Group as soon as possible via any one of the channels below:

- In priority, directly to his/her line manager
- Alternatively, to a compliance employee
- Alternatively, to one of the Group internal whistleblowing channel<sup>37</sup>

It is recommended that employees identify themselves when raising an alert, but employees may raise anonymous alerts except where prohibited by the local regulation. Employees will be kept informed of the treatment given to their alert if they provide a valid email or other form of contact.

The BNPP Group Whistleblowing ECHONET page (see link below) provides the modalities for sending an alert in the Group whistleblowing channel, which accepts alerts in French and English. Employees can also use other internal whistleblowing channel(s) such as, according to their Entity, a local and/or Business Line and/or regional channel. Local Compliance is in charge of informing the employees on the channel(s) they can use. External staff<sup>38</sup> working in BNP Paribas entities (such as consultants) can also access the internal whistleblowing channels. Link to BNP Paribas Whistleblowing ECHONET page: <https://echonet.bnpparibas/pages/5ddbdee47135fc36152b47a2>

In the event an alert received is confirmed to be potentially related to bribery/corruption, the Whistleblowing Referent should inform the ABC Compliance Correspondent of its entity. Note that the

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<sup>36</sup> For detailed information, please read CPL0038 -Group whistleblowing procedure & EP0012 Operating guide-whistleblowing framework.

<sup>37</sup> Including channels at level of Entity, Business Line, Region or Operational Perimeter if available.

<sup>38</sup> Eg, consultants, sub-contractors, temporary staff. Information about the channel can be provided in the contract, via intranet if access is provided or through a poster campaign.







information provided to the ABC Compliance Correspondent shall be in an anonymized manner to protect the confidentiality attached to the whistleblowing process.

The support of the ABC Compliance Correspondent may be required for:

- Contributing to analysing the admissibility of the alert;
- Contributing to the investigation phase after the alert is deemed admissible.

Group Professional Ethics provides quarterly the ABC Department with information on alerts related to corruption received through all the Group whistleblowing channels.





## 7 ASSESSMENT OF CORRUPTION RISKS

The risk assessment is an essential tool for monitoring corruption risks and constitutes the foundation for the risk management strategy of the Group. It is also a general principle defined by the main anticorruption extraterritorial laws<sup>39</sup>.

It is required by relevant law to document and regularly update a corruption risk assessment identifying, analyzing and prioritizing the risks. This risk assessment report should aim at informing top management and providing those responsible for implementation of the ABC framework with a clear vision of weaknesses and remedial action needed to reinforce the prevention and detection of corruption. The risk assessment report must be ready for immediate submission to the French Anti-Corruption Agency (AFA). An annual report is presented to the Executive Management of BNP Paribas Group with the results of the corruption risk assessment and to validate priorities for the ABC framework.

### 7.1 General framework for assessing corruption risks

For BNP Paribas Group, corruptions risks are assessed globally by the first line of defence (LoD1)<sup>40</sup> in the framework of the Risk and Control Self-Assessment (RCSA)<sup>41</sup> exercise, which is the Group methodology for assessing operational risks. A second line of defence (LoD2)<sup>42</sup> is responsible for the check and challenge of LoD1 results.

The RISK ORC RISK0325 procedure provides a general framework for the identification and assessment of operational risks and controls by LoD1. The RISK ORC RISK0411 procedure governs the check and challenge by LoD2 (conducted by Compliance, for corruption risks) of the RCSA results. These two procedures are complemented by the Compliance Ex Ante Guidelines<sup>43</sup> which include dedicated parts to internal and external corruptions risks. They encompass key elements to share the Compliance expertise with LoD1, to ensure an exhaustive coverage of compliance risks as well as the reliability and consistency of the assessment.

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<sup>39</sup> Sapin II Law, US FCPA (including DOJ's Guidance on the FCPA), UK Bribery Act. Additional requirements coming from local regulations should be applied by concerned entities.

<sup>40</sup> First Line of Defence (LoD1) or First Level of Control: constituted by the managers of the operating entities (Business Domains, Business Lines, Territories and transversal Functions except when exercising second line of defence responsibilities) and their respective staff who are accountable for achieving the objectives set and for monitoring the risks coming from the businesses or services they run or deliver (see BNP Paribas Internal Control Charter).

<sup>41</sup> Risk and Control Self-Assessment

<sup>42</sup> Second Line of Defence (LoD2) or Second Level of Control: constituted by the Functions who are accountable for the organisation and the sound functioning of the risk monitoring framework and its compliance with laws and regulations, over a whole set of domains (see BNP Paribas Internal Control Charter). Integrated Functions exercising second level controls are RISK, Compliance and LEGAL. Non-integrated Functions exercising second level controls are Group Tax and Group Finance.

<sup>43</sup> Compliance Ex Ante Guidelines for Business RCSA (Risk & Control Self-Assessment)





The RCSA methodology is based on 4 key steps:

- |                    |   |   |
|--------------------|---|---|
| Devoted<br>to LoD1 | { | - Preparation and scoping phase: Identification of processes at risk per entity (business unit) |
|                    |   | - Inherent risk (IR) analysis & assessment  |
| Devoted<br>to LoD2 | { | - Analysis of control framework (CF) effectiveness and residual risks (RR)                      |
|                    |   | - Check and challenge   |

The management (LoD1) approves its RCSA and implement risk management actions when necessary. The areas presenting the highest risks are subject to formalized and adequate actions plans.

## 7.2 Key features of the ABC Risk Assessment

Key features of the two sections of compliance ex ante guidelines dedicated to external and internal corruption risks are summarized hereafter.

- French law requires a regular update of the assessment or mapping of corruption risks. As recommended by the French Anticorruption Agency (AFA), updating the risk assessment should be part of an ongoing process that enables organizations to improve their risk management. [...] The need for an update of the risk assessment should be considered once a year. In order to prepare the annual ABC report, all Group entities are required to review their inherent risk and their control framework, and to update it when needed (trigger event, change in risk profile, new business...).
- By nature, corruption risks are transversal to all Group activities including Functions and they need to be assessed broadly. It is therefore required:
  - **To select and assess relevant processes** within Compliance but also those managed by other Functions (Risk, Human Resources, Finance, Procurement...) and the Business.
  - **To illustrate processes at risk with corruption scenarios** adapted to the specificities of the process itself and specificities of the entity and its business model. Scenarios must be detailed describing the parties involved in the act of corruption as well as the nature of the reward offered.
- The selected processes should be assessed taking into account:
  - The risk of an employee being involved or exposed to an act of corruption in the selected process (fraud with a corruption element),
  - The risk of the process being used by a business relationship (for example, a client) to engage in or facilitate corruption (money laundering, international financial sanction with corruption as an underlying/related offence),
  - The risk of the bank's procedures and controls not being compliant with applicable ABC laws (such as Sapin II Law) and their requirements to prevent and detect corruption.





- In addition to the Compliance Ex-Ante Guidelines, an **ABC Toolkit** is consolidated with relevant indicators<sup>44</sup> to assist Compliance in conducting the check and challenge of the RCSA.
- Check and challenge is conducted by ABC Correspondents in coordination with experts from Compliance Domains, concerned Functions and CCRM teams.
- Results of the assessment on corruption risks are consolidated by the ABC Department to ensure proper supervision of corruption risks across the Bank and to prioritize remediation plans in coordination with concerned LoD1 and LoD2. They are presented to the ABC Governance Committee for validation.
- An ABC report on Group corruption risks as well as a proposed ABC road map and action plans are presented annually to the Group Executive Management.

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<sup>44</sup> It provides a set of indicators related to the entity's inherent risk and control environment: for example historical incidents related to corruption, suspicious transaction with an underlying corruption element, characteristics of the entity's business relationships (clients, intermediaries, suppliers), implementation of relevant procedures and Generic Control Plans (GCPs).





## 8 THIRD PARTIES DUE DILIGENCE

In the course of its business, BNP Paribas may face legal, commercial, financial but also reputational risks when dealings with various third parties<sup>45</sup> including customers, intermediaries, suppliers, agents and other contractors:

- **Third parties and external corruption:** BNPP and its employees may be unintentionally involved in an act of corruption resulting from a third party's behaviour. In the context of its activities as a provider of banking and financial services, the Group is used by one of its third parties to indirectly take part in a corruption act<sup>46</sup> or to launder the proceeds of corruption. Such unintentional involvement can harm the Group's reputation and may constitute a breach of its legal and regulatory obligations to fight money laundering and terrorism financing (AML/CFT).
- **Third parties and internal corruption:** BNPP's employees may also be intentionally involved in an act of corruption with a third party in breach of the Group's Code of Conduct and relevant internal procedures and therefore subject to internal disciplinary measures and potentially criminal prosecution (please refer to section 'Disciplinary regime for employees').

### 8.1 Preliminary census of existing and potential third parties

The Group must have a sound knowledge and understanding of counterparties it is in business relationship with in order to conduct due diligence and have controls intended to ensure that:

- Third parties provide sufficient assurance on their integrity
- Third parties do not expose the Group to corruption risks

It is the responsibility of the Management and the first line of defence with the support of concerned Functions to map existing and potential relations with third parties. Compliance may provide advice and support in order to leverage on work conducted in the context of the AML/CTF Risk Classification.

### 8.2 Minimum applicable process on third parties due diligence

A minimum set of principles apply to due diligence that must be conducted on all third parties the Bank is in business relationship with irrespective of whether they are clients, intermediaries, suppliers or others:

- Third parties' risk assessment must be conducted taking into account indicators related to the risk of corruption.

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<sup>45</sup> « Dealing with » is understood as third parties having legally contracted with BNPP.

<sup>46</sup> For example when a client instructs the Bank to transfer funds from its account for purposes of paying a bribe.





- Due diligence must be **proportionate** to the level of risk presented by the third party.
- The assessment of potential or existing **conflicts of interest** must be embedded in the due diligence process, clearly outlined and mitigated in accordance with existing Group's procedures.
- Due diligence must be conducted by respecting a clear **segregation of duties** to avoid risks of operational errors, conflicts of interest and fraud.
- Details of the third parties, due diligence conducted and risk assessment should be **recorded and easily auditable**. Due diligence records and amendments to them should be retained for six years after the end of the business relationship.
- **Top management** should make the final decision in the highest-risk cases.
- In the course of the relationship, due diligence must be **updated periodically**, with a predefined frequency appropriate to the level of risk, or whenever events occur that have an impact or a potential impact on the level of risk (for example in the event of mergers and acquisitions).
- **LoD1 is responsible** for constantly monitoring third parties that the Group contracted with as well as payments/transaction flows to and from these third parties. It investigates unusual activities and alerts Compliance if necessary or whenever a suspicion arises.
- **Compliance may impose conditions** on the acceptance or continuation of a business relationship and **holds ultimate veto right over onboarding and recertification decisions**<sup>47</sup>.
- Compliance may choose to take additional steps to mitigate potential corruption risks based on the risk assessment and due diligence results. This may include the following amongst others: impose additional reporting and monitoring, request pre-approval and due diligence when sub-contractors are appointed to provide services for or on behalf of BNP Paribas, request an undertaking by the third party that it will adopt BNP Paribas standards and procedures, request further information on the third party's anti-corruption framework, request training to be rolled out by the third party and/or sub-contractors etc.
- **The consultation of the ABC Correspondents** is mandatory on corruption cases escalated in the corresponding perimeter when the cases pose significant reputation risks. It can be consulted on demand at the specific request of the relevant stakeholders.
- ABC Correspondents are informed of all refusal or termination of business relationships with third parties because of suspicion of corruption.

### 8.3 Standard due diligence content on third parties

Key requirements are embedded within the due diligence process and third parties risk assessment. They provide an essential insight on the Group's exposure to corruption risk and are summarized below<sup>48</sup>:

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<sup>47</sup> CF. Group Global KYC Policy and CG0240 - Compliance Decision Process following a request from the Business.

<sup>48</sup> For suppliers, standard due diligence content apply above a specific threshold (confer to the Supplier Knowledge procedure CPL0293).





ITEMS	
Identity	<ul style="list-style-type: none"> <li>Name (s)</li> <li>Registration number or copy of ID documentation</li> <li>Incorporation date or date of birth</li> </ul>
Ownership	<ul style="list-style-type: none"> <li>First and last names of shareholders and Ultimate Beneficial Owners (UBOs)<sup>49</sup>.</li> </ul>
Country risk	<ul style="list-style-type: none"> <li>The country risk is obtained and assessed by collecting information on the third party's country of incorporation/registration or residence and countries in or with which the third party, including its subsidiaries, has its activities (see relevant KYC policies and KYC COMPENDIUM).</li> <li>The country risk must follow the sensitivity scale defined in the GFS procedure (CG0097), which takes into account the above mentioned perimeters<sup>50</sup>.</li> <li>Restrictions apply to countries under international financial sanctions and embargoes some of which relate to corruption (CG0233 &amp; CG0214)<sup>51</sup>.</li> <li>Restrictions also apply to (Pn) countries where BNPP has no physical presence (CPL0248) and to staff and their relatives working in diplomatic representations of these countries irrespective of their location.</li> </ul>
Profession/ Business sector	<p>Client's profession / business sector must be identified and assessed as per BNPP's sensitive sector lists including those particularly exposed to corruption<sup>52</sup> such as (non-exhaustive list): public administration and defense<sup>53</sup>, oil and gas, pharmaceuticals, public works contracts, construction and civil engineering, mining, marine fishing, forestry and logging, real estate, wholesale trade.</p> <p>Dealings between the <b>public and private sectors present a high corruption risk</b>. The first line of defence should highlight dealings that third parties may have with government officials and assess any potential corruption risks.</p>
Cooperation	A third party's refusal or reluctance to provide the requested information or documents may be seen as a risk factor.
Nature and purpose of the relationship	The level of third-party risk will vary depending on the nature and the purpose of the business relationship. Understanding the nature and purpose of the relationship will ensure consistent monitoring of corruption risks, unusual or suspicious behaviour and transactions.
Screening	Third parties as well as their UBOs (when applicable) should be screened against the Group's common lists of sanctioned entities and politically exposed persons (PEPs). True hits must be reported to Compliance <sup>54</sup> .
Conflicts of Interest	Potential or existing conflicts of interest must be declared to the line Manager of the employee responsible for the relationship with the third party and authorisation to enter/maintain the responsibility over the specific relationship in light of the potential conflict of interest must be obtained from Compliance (for example, when a Relationship Manager is a director or a shareholder of a corporate client onboarded inside his/her portfolio).

<sup>49</sup> All natural persons meeting any one of the following criteria: (1) They own, directly or indirectly, 25% or more of the share capital or voting rights (10% or more for High Risk third parties) (2) They exercise by any other means a control over the management bodies of the company or the general shareholders' meeting. If no UBO meets the aforementioned criteria, at least one senior managing official of the company must be considered UBO and identified. Exceptions apply to the identification of the UBOs for certain categories of low risk third parties, refer to the standards found in the KYC Global Policy (CPL0252) and KYI Policy (CPL0083).

<sup>50</sup> The ABC Department is part of the Governance of the GFS Country Sensitivity Committee. In addition, the World Bank Governance Indicators are taken into account when assessing the sensitivity of the countries from a corruption point of view.

<sup>51</sup> Countries and regions that are subject to comprehensive embargoes by the EU and the US, or for which the Group has decided to maintain the same restrictive controls.

<sup>52</sup> List available on GFS EchoNet page. The ABC Department is part of the Governance of the GFS Sensitive Sector Committee the global governance body in charge of maintaining / updating / validating the GFS Sensitive Sectors List applicable across BNP Paribas Group.

<sup>53</sup> Considering the higher risk in connection with the Defense sector, the Group refuses to enter into any relationship with certain defense and security companies because of their business activities or their involvement in "controversial arms". The list of excluded companies is administered by the CSR Function.

<sup>54</sup> PEPs represent higher corruption risks and must be subject to enhanced due diligence in accordance with the Policy applicable to Relationships with Politically Exposed Persons (CG0030). Global Sanctions Policy must be respected in terms of Sanctions screenings for all kinds of relationships (CG0245).





	The same apply to other employees, beyond the RM, involved in the onboarding, recertification, approval, supervision and control of said third parties in relationship with the Bank. For details, refer to the Global Policy for Conflicts of Interest involving Employees (CPL0099) and the Procedure for declaring and authorising certain corporate offices held by employees on a private basis, outside their professional activity (CPL0129)
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Depending on the nature of the third party, one may refer to existing Group's procedures that incorporate specific measures to prevent corruption. The ABC Department in liaison with the concerned owners of procedures related to third parties are continuously working in adapting existing due diligence frameworks to adequately mitigate ABC risks.

Clients	Intermediaries Incl. Distributors Introducers	Strategic partners (Mergers & Acquisitions)	Suppliers Incl. Contractors Professional Service Providers (Legal, Accountancy, Consulting, facilities, catering)	Specialised activities	Other
Applicable Policies and Procedures for due diligence on third parties including anti-corruption elements					
KYC Global Policy - CPL0252 -  KYC Compendium & 16 dedicated KYC Segments policies	Know Your Intermediary - CPL0083	Compliance Checklist including topics on anti-corruption should be followed whenever BNPP or its controlling subsidiaries are acquiring or merging with other entities.	Supplier Knowledge - CPL0293  Supplier Knowledge - Procurement Risk Management Controls - SRIM - ITP0062	CIB* KYS - Brokers as Service Providers  CIB* Export Finance guidelines: corruption risks linked to the involvement of agents or intermediaries that are not in relationship with the Group.  CIB* Energy Resources & Infrastructure: due Diligence framework for preventing, detecting and managing corruptive arrangements.	KYX Policy - to be published by KYC Domain  KYB - Selection of Banking Partners for Non Banking Activities - CPL0318

*\*CIB procedures and standards should be adopted by impacted and concerned entities outside CIB but with similar activities*

## 8.4 Due diligence specificities on third parties presenting a higher risk of corruption

Third parties providing services to the Group (for example suppliers) as well as those providing services on behalf of or representing the Group (for example intermediaries, business introducers, distributors, agents) are known as **"associated persons"** and bear a higher risk of corruption<sup>55</sup>.

<sup>55</sup> The UK Bribery Act offence of failing to prevent bribery extends to failing to prevent bribery by those persons performing services for and on behalf of the organisation (associated persons).







Specific corruption risk may also arise whenever BNPP is involved<sup>56</sup> with entities in its **patronage/charitable or sponsorship activities**. It is highly important that any conflict of interest involving such associations is properly identified and managed and risks of corruption addressed. Employees must ensure that any charitable/patronage or sponsorship program does not have any feature that could be construed as an inducement for the purpose of improperly obtaining or retaining business or securing an advantage for the Group.

In order to mitigate corruption risks with these third parties, additional criteria must be considered during the due diligence process<sup>57</sup>.

	ITEMS
Size	Wealth and income for individuals Assets, turnover for entities
Expertise	Ensure that the third parties have the necessary experience, qualifications, skills and relevant size <sup>58</sup> to perform their tasks. This is formalised to ensure one understands the commercial rationale for using such third party. Using a third party with a lack of qualifications or experience must be substantiated and may be seen as an aggravating factor when assessing the third party corruption risk.
Compensation	Contracts with third parties should include specific provisions describing the services rendered by the Group or the third party, as well as the compensation amounts and the payment procedures. The compensation amounts should be commensurate with: <ul style="list-style-type: none"> <li>- the nature and purpose of the relationship, the nature and scale of goods and services provided</li> <li>- the expertise, experience and reputation of the third party</li> <li>- market prices.</li> </ul>
Transaction Risk	One must ensure that the requested payment procedures are consistent with usual practices. Payments made to third parties should be monitored and should comply with the contract provisions. Inconsistencies, unusual activities or requests (see corruption red flags in Appendix) should be further investigated and the due diligence put on hold until a reasonable explanation is provided. -
Corruption Risk Prevention Measures (for third parties considered as "Associated Persons" <u>or</u> involved in patronage/charita	<b>As a minimum standard</b> , for third parties considered as "Associated Persons" <u>or</u> involved with BNPP in patronage/charitable or sponsorship activities <u>and</u> assessed as high risk: <ul style="list-style-type: none"> <li>- Verify the integrity and reputation of the third parties, their managers and beneficial owners (UBOs) whether they have been the subject of adverse information, allegations, prosecution or convictions for any offences including corruption offenses</li> <li>- Include dedicated contractual clauses on anti-corruption in the contractual agreement to (1) formalise that BNPP will not tolerate corruption in the context</li> </ul>

<sup>56</sup> "involved" refers here to situations where BNPP contracts with third parties to organize sponsorship activities and promote BNPP image or situation where BNPP provides funding to third parties as part of its mécénat/philanthropy objectives.

<sup>57</sup> For suppliers, these due diligence content apply above a specific threshold (confer to the Supplier Knowledge procedure CPL0293).

<sup>58</sup> For example, the number of employees may be relevant whenever we are trying to assess the third party size and ability to conduct a specific task.





ble or sponsorship And <u>rated high risk</u> )	<p>of this business relationship (2) allow the exit of the relationship easily in the event of a lapse of integrity.</p> <ul style="list-style-type: none"> <li>- The first line of defence should document the third party's Compliance framework related to anti-corruption.</li> <li>- The First line of defence must formalise the communication of BNPP code of conduct and it's Addendum on anti-corruption. Alternatively, a link to the Group's Code of Conduct available on its institutional website may be provided.</li> </ul>
NB: specific to intellectual service providers	In accordance with the law in each country, when contracting with intellectual service providers (consultants, legal services etc.), a deontological letter should be signed by the supplier to ensure it communicates BNPP rules and practices, including the code of conduct to any of their employees who may be deployed to work within BNPP.

## 8.5 Third parties and corruption vis-a-vis BNPP employees

Any attempt from third parties to corrupt employees of the Group should be immediately reported to Compliance in order to:

- Decide, as per requirements, if a Suspicious Activity Report should be filed with the local FIU (Financial Intelligence Unit) and a copy sent to GFS Paris.
- Review the relationship and take a decision on whether the relationship should be terminated or mitigation measures put in place. Compliance to inform the local ABC Correspondent accordingly.

## 8.6 Focus on the verification of employees

The assignment of or promise to assign, a position (whether paid or unpaid, temporary or permanent) with a view to obtaining an unfair advantage is deemed to be corruption. Certain situations are particularly exposed to the risk of corruption:

- The recruitment of Politically Exposed Persons (PEPs)/public officials<sup>59</sup> and their close relations (even if only for work placements);
- The hiring of people at the request of or based on referrals from, PEPs/public officials or other external third parties in relationship with the Group (client, intermediary, supplier, partner);

With the aim of ensuring external recruitment processes are transparent and compliant with regulations, BNPP's Human Resources Function defined a set of guidelines (RHG0027) to be observed by those involved in such process, contributing in reducing above mentioned risks. These guidelines include, among others:

- **Co-decision in the selection process** – two people have to be involved in the recruitment process and decision (a person on behalf of HR and the recruiting manager), which reduces the risk of biased decision making;

<sup>59</sup> See Glossary for a definition of Public Officials. In addition, the Group defined a category of Public Officials called "Restricted Public Official" that may expose the Group to higher risks of corruption.





- **Traceability of all decisions** – the different stages of the recruitment decision must be documented and formalised in a way that allows decisions to be traced at each stage of the process;

Provided it does not contravene local laws including privacy laws, entities should verify whether **G500, Senior Management Positions (SMPs) and Material Risk Takers (MRTs)** employees are considered as or are related to PEPs<sup>60</sup>. This should be done at the moment of recruitment (external or internal) and at nomination stage. Confirmed cases are escalated to Compliance Professional Ethics for analysis and suggestion of mitigation measures (if appropriate) in order to prevent possible conflicts of interests.

In countries classified as High Sensitivity and Very High Sensitivity<sup>61</sup> the recruitment of PEPs is subject to the prior agreement of the HR of the Business Line, Region or Operational Perimeter concerned.

In addition, the screening of employees against international financial sanctions contribute to the ABC framework<sup>62</sup>.

Whenever situations generating potential conflicts of interest, for instance because of corporate offices/mandates held by the candidate, are detected at the recruitment stage, they should be dealt with in accordance with the Group procedures to prevent possible situations of corruption risk.

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<sup>60</sup> This verification can be done in different ways: for example through posing question in a questionnaire that is presented to the individual at recruitment stage or by checking names against existing lists of PEPs in Vigilance. The format chosen should be compliant with local data privacy laws.

<sup>61</sup> Compliance GFS policy on Country Sensitivity (CG0097).

<sup>62</sup> BNPP's Human Resources policy (RHG0074).





## 9 ACCOUNTING CONTROLS

The monitoring of the accounting internal control framework<sup>63</sup> is performed by Group Finance (Group Control & Certification – GC&C), with the support of the Business and Functions. The accounting internal control framework relies on a set of procedures<sup>64</sup> and an accounting system that contribute to manage risks, including risk related to corruption. In particular, they are designed to:

- I. Monitor how BNPP processes its financial information (ensure that the accounting information produced provides a regular, sincere and faithful picture of BNPP's accounting and financial situation)
- II. Ensure proper financial and asset stewardship (avoid that BNPP books and accounts are used to conceal acts of corruption)

### 9.1 Accounting system

Key principles must be respected in order to ensure that all BNPP accounting systems produced provide a regular, sincere and faithful picture. Systems must:

- Make a clear distinction between manual and automatic entries,
- Identify the employees and departments that made and approved each entry,
- Be capable of keeping track, retaining reversed entries,
- Produce entry lists/journals showing all manual entries made per day/per department,
- Have a permission denial feature/proper blocking controls or systems (for example, if entries do not balance or a user tries to delete an entry),
- Allow to distinguish and segregate transactions related to gifts and invitations, donations and bequests, sponsorship and patronage payments as well as fees paid to the Group's external intermediaries and suppliers.

### 9.2 LoD1 accounting controls

Depending on the accounting process, several stakeholders share responsibilities when controlling and validating operations/transactions. LoD1 controls<sup>65</sup> are generally performed by operational persons responsible for preparing, submitting, documenting and approving journal entries. With the exception of

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<sup>63</sup> This section does not refer to transactions conducted by or on behalf of clients that are subject to a dedicated compliance monitoring (CPL0287 : BNPP AML/CTF Transaction Monitoring Alert Management)

<sup>64</sup> Including Accounting Control Plan FG0051, Minimum Control Standards FG0049, Procedure on the control of the accounting manual entries FG0046 , Provisioning for accounting suspense items FG0028, Procedure on the creation and modification of access to FACT FG0055, Procedure relating to the appointment of the external auditors and their audit fees FG0014, Procedure related to the follow up of the recommendations from the external auditors FG0015.

<sup>65</sup> Within LoD1, several stakeholders such as operational staff, managers, back-office and OPC teams share responsibilities.





entries submitted directly by the Finance teams, LoD1 controls are located in all the Group's Businesses and Functions:

- Users submitting entries (for example an employee submitting his expenses for reimbursement) are responsible to justify with supporting documents that the entry does not contravene the Group's procedures.
- 4 eyes controls must be conducted on all entries either by an independent team or by the manager of the person submitting the entry into the system who must verify supporting documentation.
- High risk accounting transactions including manual entries must be subject to additional controls in the respective back-offices.
- Stakeholders must be mindful of situations and transactions that may conceal a potential act of corruption.

### 9.3 LoD2 accounting controls

Level 2 controls are covered by the Generic Control Plan within Group Finance<sup>66</sup>. They must:

- Be performed independently from the persons involved in the first line of defence,
- Incorporate in its methodology the use of sample checks on a representative population of the inherent accounting system concerned (manual entries, level of authority and segregation of duties),
- Provide a summary report indicating irregularities uncovered and an action plan to address them.
- Include specific and representative sample checks on transactions that are high risk from a corruption perspective (See following section).

### 9.4 High risk accounting transactions and operations from a corruption perspective

Stakeholders involved in LoD1, LoD2 and LoD3 controls must be mindful of the following non exhaustive list of transactions and operations that present high risks from a corruption perspective. They should adapt their respective control frameworks accordingly:

- Transactions, personal expenses related to a gift or invitation<sup>67</sup>.

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<sup>66</sup> Accounting Control Plan FG0051.

<sup>67</sup> Ensure it is in line with the Gifts & Invitations Group Policy (CG0067) and local approval has been obtained if above the local threshold. Ensure the request mentions all parties invited and the rationale if necessary.





- Transactions involving known high risk counterparties because of their geographical location, or their known connection to public officials or publicly exposed persons<sup>68</sup> or because they are involved in sensitive sectors, activities<sup>69</sup>.
- Transactions related to donations and bequests, sponsorship and patronage payments.
- One-off, unusual or unusually large transactions (for example related to acquisitions).
- Transactions, fees related to third party intermediaries and suppliers including agents, head-hunters and consultants.

In case of doubt, stakeholders must report to or request support and guidance from local Compliance when identifying suspicious operations/entries. If needed, local Compliance will liaise with the local ABC Correspondent to seek further guidance.

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<sup>68</sup> Checks on PEP list can be performed using the Group Vigilance Platform available in Echo'Net webpage.

<sup>69</sup> GFS list of sensitive sectors and countries, can be found in the Echo'Net webpage – Compliance Group Financial Security.





## 10 TRAINING AND COMMUNICATION

BNPP understands the importance of raising the level of awareness and knowledge of its employees regarding corruption risks. For that purpose, the Group and its entities have put in place a diversity of efforts to empower employees not only to learn about procedures but also to proactively identify risky situations and respond according to the expected high standards.

This section details the offer of training courses specifically dedicated to fighting corruption, acknowledging that BNPP employees pass through several other mandatory trainings that do not have corruption as their main topic but do provide relevant knowledge<sup>70</sup>. This section also discusses wider communication efforts put in place to further raise awareness on the issue and the role of the ABC correspondent network in terms of training and communication.

Training in BNPP is understood as activities formally recorded in terms of completion rates and/or knowledge acquisition (through quizzes, provision of a certificate, etc). Communication, as opposed to training, includes activities with no formal tracking of completion rate or knowledge acquisition but that contribute significantly to building a culture of integrity.

### 10.1 Training

BNPP specific anti-corruption mandatory training developed at Group level and deployed across all entities covers the specific requirements of different legal and regulatory requirements (such as French Sapin II law, the US Foreign Corrupt Practices Act and the UK Bribery Act). Other anti-corruption laws may be covered in training developed locally by different entities. The content and audience of ABC trainings must evolve taking into accounts results of the risk assessment on corruption risks.

The following Group level online training specific on anti-corruption are mandatory (locally, OPs, regions or entities may have additional trainings on offer):

- **All staff ABC training:** an online training designed to raise general awareness of risks of corruption and the behaviour expected from BNPP staff. It targets the totality of employees in all BNPP entities. Employees are required to pass through a final quiz to evaluate knowledge acquired. New hires have a period of 90 days from taking up post to complete this training. An awareness raising section on corruption issues is part of the content of an online training, developed by the Group on the Code of Conduct. All staff are required to take this Code of Conduct online training with a frequency decided by Conduct Group.
- **ABC training for staff most exposed to corruption risk:** staff considered to be most exposed to corruption risk follows an online training, delivered by the Group, tailored to the needs of their job

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<sup>70</sup> For example, the mandatory trainings on money laundering and on the code of conduct.





positions. This includes, for example, relationship managers in contact with clients and procurement officers.<sup>71</sup> All staff taking up a new position into the target group for this online training is assigned to this training in the next date of assignation. Assignation for this training happens once a year, at a specific date to be decided by HR at Group level.<sup>72</sup> Following the results of the ABC risk assessment, an extra component of this training should be delivered, to the most exposed training or other specific target population in entities with high or very high residual risk of corruption.<sup>73</sup> This training should be delivered locally by the ABC correspondent of the entity or of the Business Line/Operational Perimeter. Its content should be prepared having in mind the areas of weak performance in the ABC risk assessment.

BNPP Group relies on the obligation of its suppliers and partners to also comply with relevant anti-corruption legislation and train their own employees.

## 10.2 Communication

All the **Group entities including their Management should actively communicate** and remind employees on the importance of fighting corruption and developments of the Group's ABC framework.

As an illustration, the ABC Department and its Correspondents reach out to employees and other partners through different channels in order to disseminate information on ABC matters.

ALL EMPLOYEES	ABC CORRESPONDENTS	TOP LEVEL MANAGEMENT	EXTERNAL PARTNERS (suppliers, intermediaries, etc.)
ECHONET page	ABC Weekly calls with OP/Regions Correspondents and ABC Department (At other levels of the Group, it is at the discretion of the ABC correspondent)	G500 awareness raising on Sapin II law organized by Legal.	Contractual clause detailing ABC requirements
Speaking events across the Group	ABC correspondents Share Point ( <a href="https://weshare-secure.group.echonet/sites/GFS-ABC/SitePages/GFS%20ABC.aspx">https://weshare-secure.group.echonet/sites/GFS-ABC/SitePages/GFS%20ABC.aspx</a> ) maintained by ABC Department	Dedicated committee (for example GSCC) to update the Management and validate priorities.	Sharing of the Code of Conduct (also available on BNPP website)
ABC Digest complemented by operational memos	ABC newsletter published by the ABC Department		

<sup>71</sup> The criteria for target population was defined at Group level by HR and the ABC department in consultation with training referents and ABC correspondents at OP and BL levels. Details about the targeting criteria are shared with the training referents in each OP, BL and entity and are available with HR Learning and Change at Group level.

<sup>72</sup> The training focusing on most exposed staff is offered as a one off, at Group level, to all staff in targeted positions. A new campaign will only be run targeting the same staff if and when there is a significant change in risk or in legislation affecting BNPP in the topic of corruption. It is at the discretion of entities to decide if they want to re-run a campaign, locally, using the content of the online training for most exposed staff with a different frequency.

<sup>73</sup> The list of concerned entities is validated every year by the ABC Department at Group level in discussion with the ABC correspondent at OP/Region/BL levels.







## 11 INTERNAL CONTROLS

To ensure that BNPP Compliance framework effectively prevents and detects corruption, BNP Paribas monitors the ABC set-up through permanent (LoD1 and LoD2) and periodic controls (LoD3). Such controls enable the Group to permanently improve its set-up and remediate deficiencies through action plans and follow-up. Group Functions and Compliance Domains taking part in the ABC Governance actively participate and contribute to the ABC Control framework.

### 11.1 Overview of the Group Control framework

- **1st line of defence (LoD1)**

The first line of defence (LoD1) is generally represented by Business teams. The LoD1 must ensure that controls in its “Generic Control Plans (GCPs)” are adapted with a view to detect potential corruption and new controls added if necessary to cover processes at risk of corruption in line with results highlighted in the risk assessment on corruption (RCSA). Controls contributing to the detection and prevention of corruption should be clearly highlighted in the respective control plans.

In case of doubt, LoD1 must report to or request support and guidance from local Compliance when identifying potential risks of corruption.

- **2nd line of defence (LoD2)**

Second line of defence (LoD2) controls are performed by some Functions (Risk, Finance, Legal, Tax, Compliance) with the objective to ensure that LoD1 controls are (i) adequately designed to mitigate corruption risks (ii) cover processes at risk of corruption as highlighted by results of ABC risk assessment (RCSA) (iii) properly performed and effective (iv) included in the Generic Control Plans designed by Compliance and Functions<sup>74</sup>. The second line of defence checks and challenges the LoD1 framework, and independently tests it. Results of these controls are collected and analysed centrally by the ABC Department to seek improvements in the control framework.

- **3<sup>rd</sup> line of defence**

Inspection Générale (IG) is responsible for the third line of defence. In its organization, all Inspectors and Auditors may potentially have to review and assess local Anti-Bribery and Corruption set-ups. A dedicated ABC methodology has been developed by IG and rolled out starting January 2019<sup>75</sup> to identify potential

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<sup>74</sup> A non-exhaustive mapping of GCPs pertaining to Compliance Domains and Functions has been consolidated by the ABC Department in order to offer a view of all existing/upcoming FMPs (Fundamental Monitoring Points) participating directly and/or indirectly to the prevention and detection corruption practices.

<sup>75</sup> Missions conducted in 2019 did not lead to any formal recommendations and finding considering that the ABC framework was still in deployment stage. However, main conclusions were communicated to controlled entities and the ABC Department with an objective of improving the framework in place. Formal recommendations and findings will be issued from 2020 onwards.





weaknesses in the implementation of the CG00183 Policy. This methodology is used in a certain number of assignments particularly those related to Compliance. The ABC methodology can also partially apply to Finance Audit Units in charge of sensitive accounts and to Procurement outfits. IG Finance Audit Line is composed of specialized inspectors who perform primarily transversal assignments or assignments that require specific expertise to cover accounting controls as required by the Sapin II Law.

- **Focus on the control framework related to new activities and exceptional transactions**

The Compliance Function has designed specific requirements to be followed by each BNPP Compliance Officer when taking a role in the validation process for new activities, new products and exceptional transactions<sup>76</sup>. Throughout the validation process, the Compliance function should ensure that the Group complies with applicable laws and regulations as well as internal requirements on Compliance risk areas, which include the prevention and detection of bribery and corruption. Dedicated checklists, including specific questions related to internal and external corruption, are available to the Compliance Officer in order to assess the submitted request.

## 11.2 Detection and reporting of corruption cases and incidents by [all employees](#)

Corruption may potentially affect all processes across the BNPP Group therefore, its detection relies on the constant vigilance of all members of staff who have a responsibility to alert their management and seek guidance from Compliance.

- **Fraudulent activity with corruption elements** (for example involvement of an employee in the fraudulent scheme involving corruption) shall be investigated and recorded as incidents in the Group's Risk 360HI tool.
- **Failures in processes participating to the Group's ABC framework** must also be investigated and recorded in the Group's Risk 360HI tool (see section 11.6).
- **Corruption involving relationships of the Group (clients, intermediaries, suppliers, others):** all employees across the Group are responsible to remain vigilant and alert Compliance (AML Level 2 investigators) in case of unusual/suspicious transactions or activities with relationships of the Bank through the filling of "Unusual Activity Reports"<sup>77</sup>. Compliance Level 2 will decide whether the relationship involved in the unusual/suspect activity should have its due diligence file and risk scoring amended or whether a suspicious activity report (SAR) needs to be filed with the local FIU (Financial Intelligence Unit).

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<sup>76</sup> Please see the Group Procedure CCC0004EN 'Guidelines for the Compliance function's contribution to the Validation Process'.

<sup>77</sup> CPL0287 Group AML-CTF Transaction Monitoring Alert Management

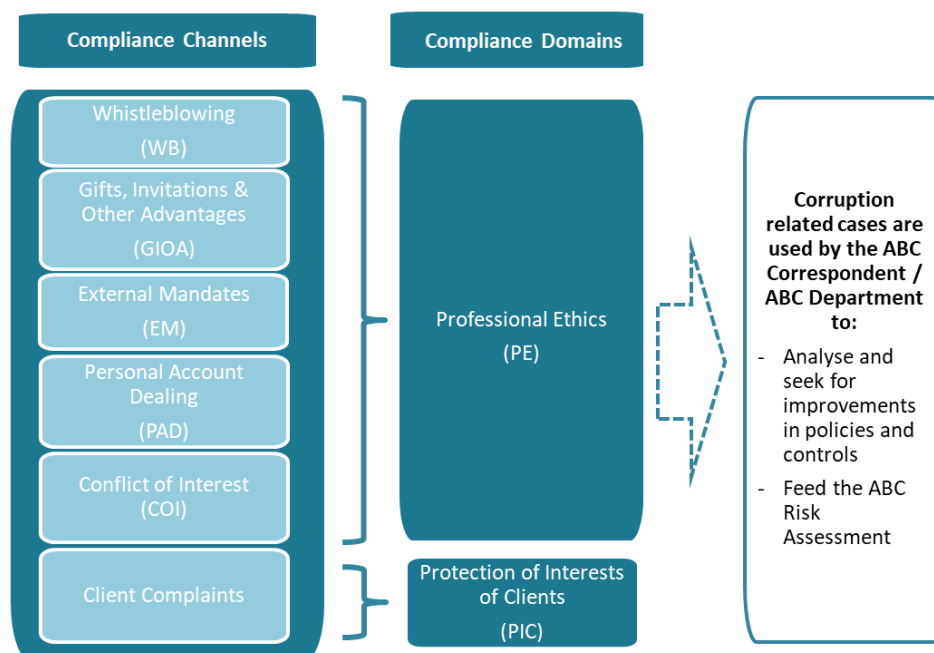




### 11.3 Detection of internal corruption cases through existing Compliance Processes

Several Compliance processes already contribute actively to detecting and reporting corruption related incidents including those involving employees. Internal corruption may be detected during the analysis of alerts and cases escalated for validation to the various Compliance Domains. While these existing processes were not solely designed to detect corruption, they do contribute actively to the ABC framework:

- **Professional Ethics (PE) Domain** through the analysis of files related to its frameworks described in sections 5.2 and 6 of the procedure<sup>78</sup>. Professional Ethics also deals with alerts related to sensitive employees dealing in securities that may potentially involve acts of corruption.
- **Protection of Interests of Clients (PIC) Domain** through the coordination with the Business of the analyses of clients' complaints that may also reveal corruption practices within the Group<sup>79</sup>. For example, a client may complain about his/her Relationship Manager who asked for a bribe in exchange for a favorable interest rate or for a new credit line.



Respective teams in charge of these processes<sup>80</sup> inform the local ABC Correspondent (or Group ABC Department for Central Domain teams) of known suspicions of corruption related to files escalated at their level.

<sup>78</sup> Related to whistleblowing as well as situations involving gifts, invitations and other advantages, conflicts of interest and external mandates.

<sup>79</sup> CPL0276 section 7, Policy for the Protection of Interests of Clients.

<sup>80</sup> Compliance Domains and/or the LoD1 for the complaints handling process.

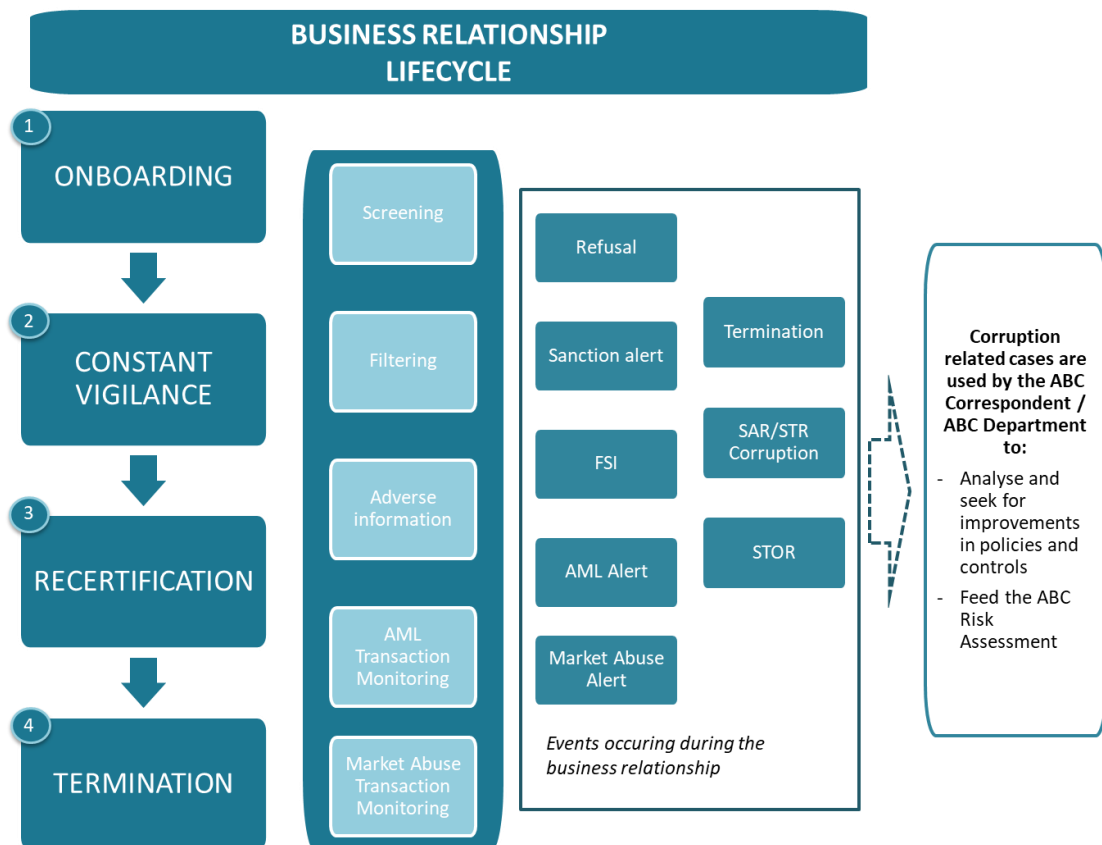




In line with existing Group procedure (see section 11.2), whenever unusual, suspicious transactions and activities involving employees also involve relationships of the Group, the Level 2 AML Team is informed through the communication of an unusual activity report (UAR) for possible impact on the third party due diligence file and scoring and possibly the filing of a suspicious activity report (SAR).

#### 11.4 Detection of external corruption cases through existing Compliance Processes

The chart below shows an overview of the main channels in place that contribute to the detection of external corruption cases involving third parties.



Due diligence conducted at onboarding and recertification stages contribute to assess corruption risks related to third parties. In addition, several controls within the Financial Security framework (and to some extent Market Integrity) also contribute to the detection of corruption during the lifecycle of the relationship with third parties:





- **Filtering:** all transactions of the Group are filtered in real time against international sanctions programs<sup>81</sup> some of which contain persons designated because of their involvement in corrupt practices (and internal lists such as the list of very high sensitive countries “Pn list”). The ABC Department updates every year a census of sanctions programs with a corruption component that can be found in the ABC SharePoint page.
- **Screening:** third parties including clients, intermediaries and suppliers are screened on a regular basis against international sanction programs including those containing corruption components. Third parties are also screened against lists of politically exposed persons<sup>82</sup>, as well as the SOL list<sup>83</sup>.
- **AML TM:** The BNPP AML/CTF Transaction Monitoring process<sup>84</sup> ensures that BNPP’s client related transactions do not breach applicable AML/CTF laws and regulations. Dedicated scenarios running on different transaction monitoring tools are in place locally to detect suspicious activities performed by BNPP clients. Some of the scenarios include features that could lead to the detection of potential acts of corruption.
- **Market Abuse alert:** alerts leading to the filing of suspicious transactions and orders reports (STORS) in relation to suspicion of market abuse may also be related to corruption<sup>85</sup>.

Respective Compliance teams inform the local ABC Correspondent (or Group ABC Department for Central Domain/Function teams<sup>86</sup>) of known suspicions of corruption related to files escalated at their level including but not limited to refusal or termination of relationship for corruption reason, true hits against sanction programs pertaining to corruption and suspicious transactions reports related to corruption.

## 11.5 Role of ABC Compliance Correspondents vis-a-vis Compliance delegation holders

Within the Group, a Compliance Decision process has been implemented to address requests from the Business. Compliance operates as an independent and integrated function and communicates as one voice with the Business and other Functions (e.g. Risk or Legal). Compliance delegation holders are empowered by the respective Compliance Domains to take decision on cases that are submitted to them for analysis and that may contain corruption elements. ABC Correspondents are informed of decisions taken on files

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<sup>81</sup> Group Procedure CG0235 – Global Sanctions Policy & Group Procedure C00014 Transaction filtering obligation procedure.

<sup>82</sup> Group Procedure CG0030 – Policy applicable to relationships with Politically Exposed Persons (PEPs).

<sup>83</sup> AML SOL List: GFS manages a list called “AML SOL” based on the riskiest AML/CTF cases with a Financial Security Incident detected within the Group some of which are related to suspicion of corruption.

<sup>84</sup> Group Procedure CPL0287 – Group AML/CFT Transaction Monitoring Alert Management

<sup>85</sup> Group Procedure CG241 – Global policy on protecting market integrity

<sup>86</sup> At central level, Group Financial Security Paris AML Team centralises for the Group refusals and terminations for Compliance reasons (including suspicions or allegation of corruption) as well as suspicious transaction reports filed with local Financial Intelligence Units that may be related to corruption. Refusal and terminations for Compliance reasons are escalated for information to GFS Paris based on criteria described in the Group Procedure CPL0287 – Group AML/CFT Transaction Monitoring Alert Management. Group Financial Security Paris AML teams inform the ABC Department on a quarterly basis of cases escalated at their level that may be related to corruption.





related to corruption in order to have a consolidated view of corruption risks in their scope and take appropriate actions to adapt the ABC framework.

In addition, when cases are not specifically related to a Domain and need interaction between several stakeholders (for example cases of corruption involving third parties but also employees), the ABC Correspondent assists in the coordination of the various participants who must discuss and take a common decision.

The consultation of the ABC Correspondent is mandatory on corruption cases escalated in the corresponding perimeter when they pose significant reputation risks. It can be consulted on demand at the specific request of the relevant stakeholders.

▪ **Specificities for Financial Security cases : “Escalation Process Tool” (EP)**

The Escalation Process Tool (‘EP’) is an escalation tool from Compliance and used by the Financial Security Community to escalate and provide decision on files in line with the existing Compliance Decision Process. A dedicated ‘corruption’ flag is included in the EP tool with several objectives<sup>87</sup>:

- Provide centrally an exhaustive view of escalated Financial Security cases with a corruption ‘nexus’
- Raise awareness within the Financial Security community
- Upon request, obtain opinion on sensitive cases
- Improve the ABC framework based on lessons learned

Compliance officers escalating Financial Security cases in EP must inform their ABC Correspondents if a potential corruption nexus is identified and ensure the related risks have been assessed and mitigated accordingly. EP users also have the possibility to request a transversal opinion from ABC Department. The Compliance Decision Process remains unchanged, as well as the existing Delegation Holders’ roles and responsibilities

## 11.6 Reporting and collection of incidents related to corruption

All incidents<sup>88</sup> related to internal corruption or to the anticorruption framework must be collected in RISK 360HI tool. This process is governed by RISK0332<sup>89</sup> and RISK0406<sup>90</sup> procedures regarding respectively the

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<sup>87</sup> The ABC Department is automatically informed whenever the ABC flag is selected. The flag may be selected upon several triggers: unusual transaction with corruption patterns, KYC inconsistencies for example in the source of wealth leading to suspicions of corruption, adverse information related to corruption etc.

<sup>88</sup> They may be escalated or known through the various channel as detailed in the previous chapters or input by operational staff into RISK 360HI when recording operational incidents.

<sup>89</sup> Risk0332: “Collection principles for operational risks, historical incidents”

<sup>90</sup> Risk0406: “Check and challenge of historical incidents collection”

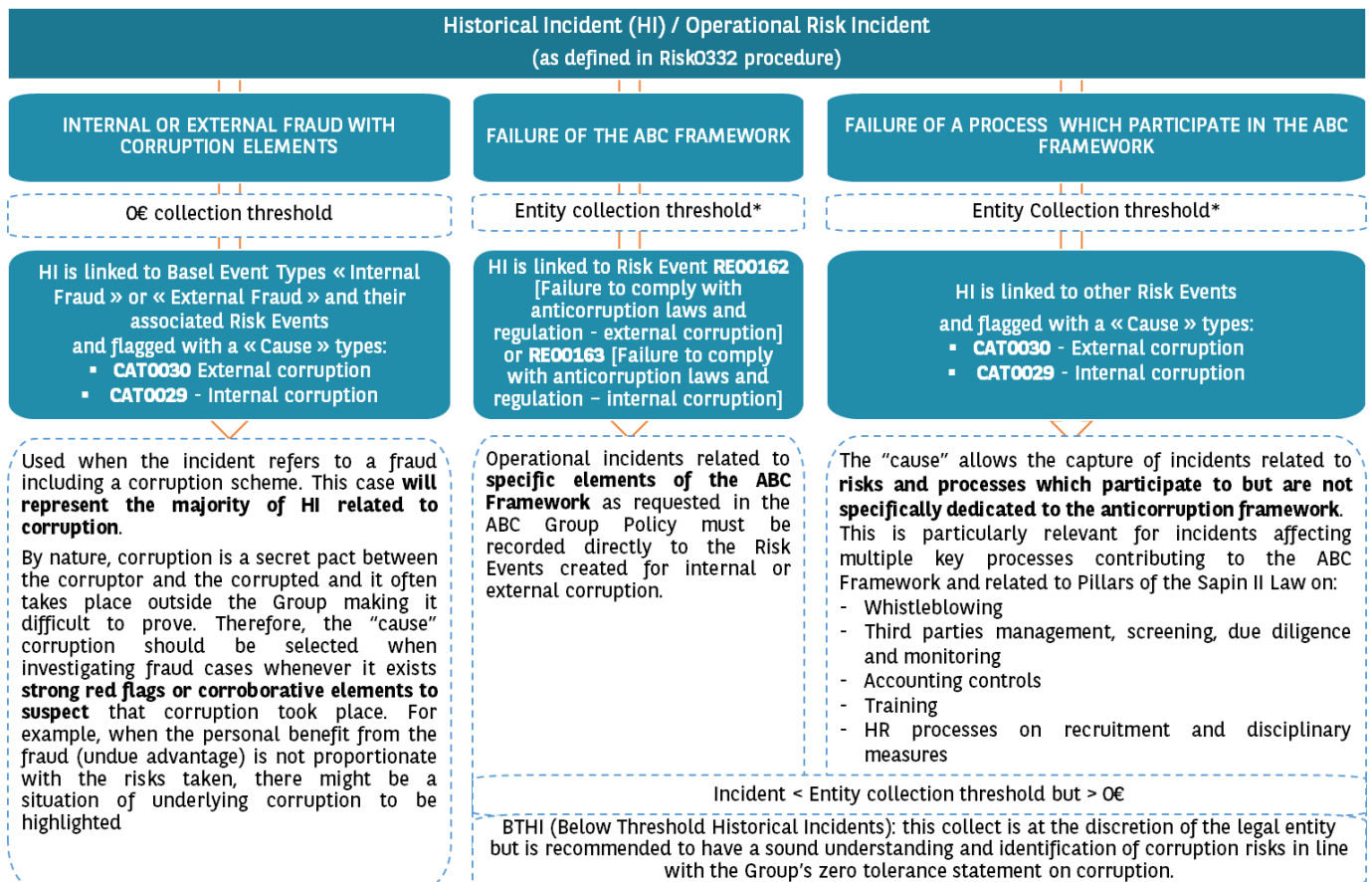




collection of historical incidents (HI) and their check and challenge before validation in Group RISK 360HI tool (RISK360HI).

▪ **Historical incidents related to fraudulent activities and failures of the ABC framework**

Due to the diversity and transverse nature of the corruption schemes, different scenarios have been identified to capture corruption risks in historical incidents:



\* Must be currently < 10 000 euros.

Historical incidents are checked and challenged by the LoD2 as defined in RISK0406 procedure and in coordination with the expertise of the ABC Correspondents.

▪ **Non Operational Risk Incidents related to suspicions or attempts of frauds or failures of the ABC framework with no financial impact**

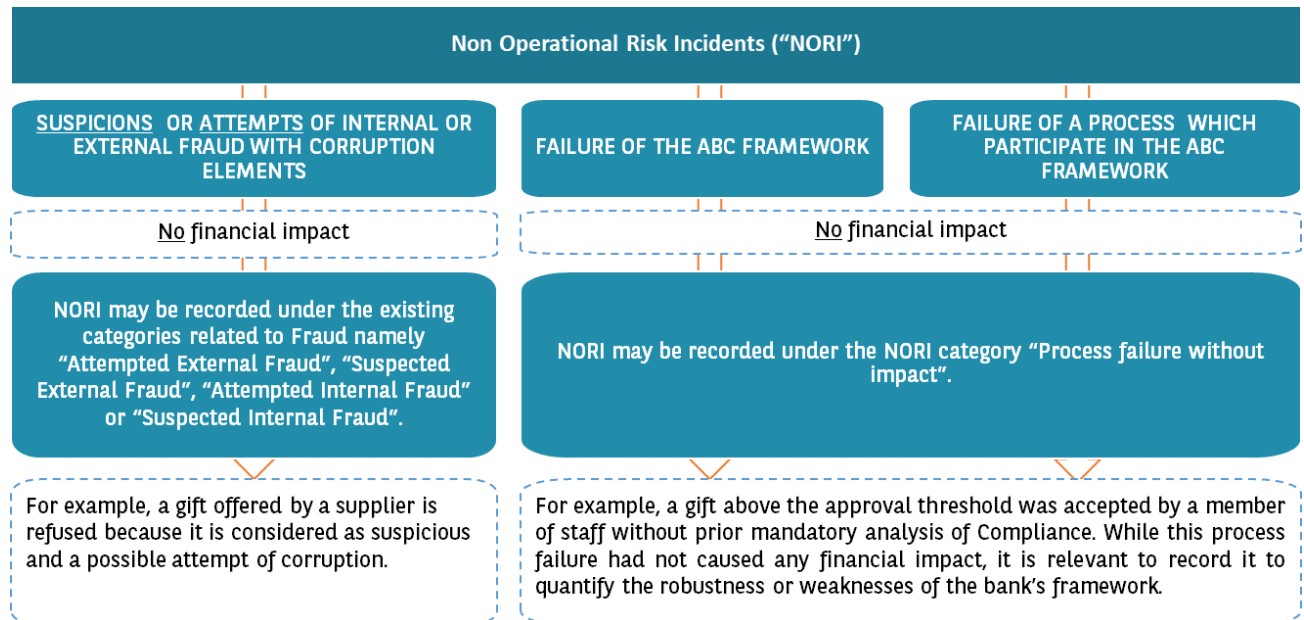
Suspicious or attempts of fraud with corruption elements and framework failures with no financial impact are not recorded as historical incidents (HI or BTHI). Never the less, they should be recorded as **Non**







**Operational Risk Incidents (“NORI”)** in Risk360HI tool to ensure corruption risks are captured and analyzed to update the Group’s corruption risk assessment and to adjust the ABC framework accordingly.



As opposed to historical incident, no specific ABC flag (“cause”) or category exists inside the Risk360HI tool for NORIs. Thus, it is critical that the description of the NORIs make explicit references to corruption to allow their identification through the search of keywords.

▪ **Description of corruption related HIs, BTHI and NORIs**

The operational staff in charge of recording corruption related incidents (HI, BTHI or NORI) must ensure that elements related to the corrupt act are clearly highlighted in the description to ease the analysis of the incident and improve if necessary the Bank’s ABC framework, especially concerning:

- The Rational for “flagging” this incident as corruption related
- The nature of the reward: cash, gift, fund transfer etc.
- The undue advantage offered or requested: what was obtained in exchange of the reward ?
- The counterparties involved (employee, temporary staff, client, intermediary, supplier etc.) and any aggravating factors such as the involvement of politically exposed persons or public officials
- The description of the incident should be also updated whenever a disciplinary sanction has been decided following an investigation on corruption involving an employee. Once the disciplinary sanction has been decided and applied, the respective ‘disciplinary sanction’ flag in RISK 360HI should be updated. Moreover, a short description of the disciplinary measure applied should be added to the incident description.







- **Specificities related to incidents escalated through the whistleblowing framework**

Investigations on corruption allegations triggered by admissible whistleblowing alerts are recorded on the Risk360HI tool, as soon as the alert has been deemed admissible, with restricted access and in the strict respect of the whistleblower identity and rules of confidentiality described in Professional Ethics procedures<sup>91</sup>. The incident is initially recorded as a NORI pending results of the investigation.

- **Quarterly analysis of corruption related incidents by the ABC Department**

On a quarterly basis, the ABC Department analyses corruption related incidents (HI, BTHI and NORI) in coordination with Central CCRM (Lisbon Team), concerned Compliance Domains and ABC Correspondents at Operational and Regions levels with the objective:

- To ensure corruption related incidents are correctly flagged with the corruption cause or linked to RE00162 or RE00163.
- To analyse NORI and BTHI through key words searches.
- To draw on incidents in order to improve the ABC framework and training material.
- To ensure a proper supervision of the corruption risks across the Group, assist with the ABC risk assessment exercise and produce the ABC annual report.

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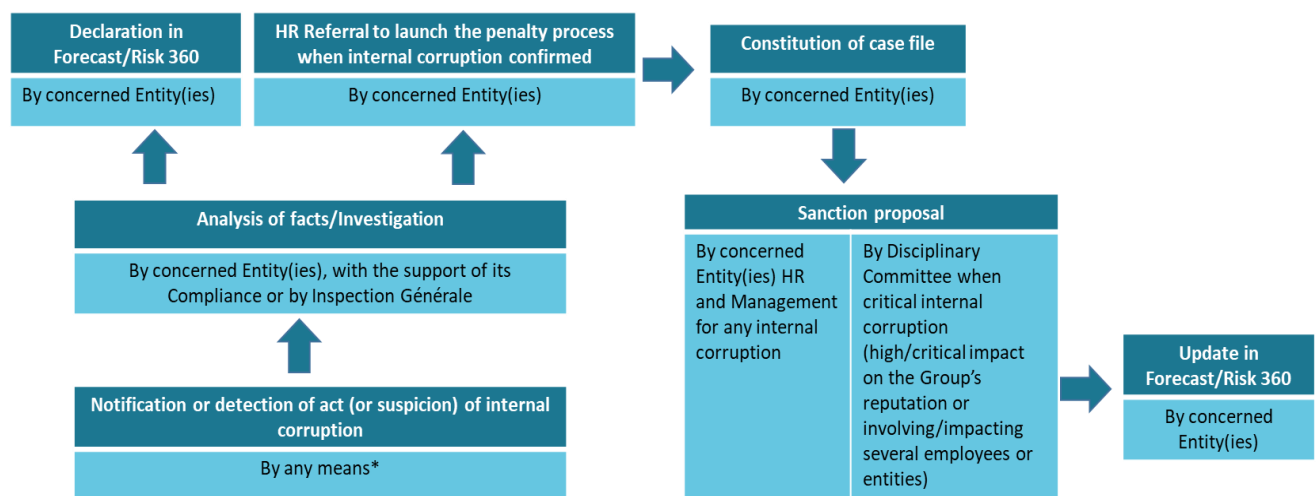
<sup>91</sup>CPL0038 Group whistleblowing procedure & EP0012 Operating guide-whistleblowing framework.





## 12 DISCIPLINARY REGIME FOR EMPLOYEES

BNPP's zero tolerance approach to corruption means that any suspicion of corrupt practice involving employees will be investigated and duly sanctioned (when involvement in corruption is confirmed). The Global Policy on Fraud Prevention, Detection and Management (RISK0347) sets forth a framework for investigating alleged cases of internal fraud. Following the establishment of facts through investigation, a disciplinary process is put in place under the framework provided in the HR Group Policy on Penalties for Misconduct of Employees (RHG0054). Both procedures were updated to make explicit reference to the fact they cover corrupt practices with the involvement of a BNPP employee.



\* Specificities in following steps if done through whistleblowing

The above chart describes the current disciplinary regime, starting with the detection of a suspicion of corruption involving an employee (which can be detected through different channels).

The process of investigation is led by Inspection General (IG) or RISK with the support of any other Function, upon demand. Once the investigation is completed, a report stating the facts is established and submitted to the management of the entity where the situation took place. Should the investigation concludes that the entity or employee(s) may have been directly or indirectly involved in suspected acts of corruption, IG or Risk should also inform their local ABC Correspondent and keep him/her informed about the decisions subsequently taken.<sup>92</sup>

It is the responsibility of local HR (at the legal entity or group of legal entities level depending on HR organization in the Business Line or Territory) to organise the decision process leading to eventual

<sup>92</sup> In the context of IG Special Assignments missions, the ABC correspondent does not need to receive the full report, but only a summary with anonymised information regarding deficiencies in the ABC framework.





disciplinary measures applicable to employees involved. In certain situations, for instance when the case involves several employees or entities, this may require the establishment of a disciplinary committee.

Disciplinary measures may vary from verbal warning to dismissal. The measure applied is a decision taken both by HR and Management at the corresponding level where the corrupt act took place. Decisions including the rationale for not dismissing an employee must be formalized.

Whenever a disciplinary measure is decided in relation to an act of corruption, the ABC Correspondent and Legal-GDR must be informed to assess:

- Legal-Group Dispute Resolution (GDR): whether the Bank / legal entity involved shall press criminal charges.
- Legal-Group Dispute Resolution (GDR): whether the prosecuting authorities should still be informed even if no criminal charges are pressed by the Bank/Legal entity.
- ABC Correspondent: in coordination with Compliance Financial Security, whether a suspicious transaction report (SAR) should be filed with the local FIU.

Moreover, once a disciplinary process is concluded, the RISK 360HI tool entry for that incident should be updated (by the OPC of the entity concerned) to indicate the existence or not of a disciplinary measure.

Relevant information about fraud is reported respectively to the Audit Committee and to the Internal Control, Risks and Compliance Committee (C.C.I.R.C.). Compliance, RISK, Legal and Finance as well as Group Human Resources meet on a regular basis in a Fraud Examination Committee in order to examine actual internal frauds, the punitive actions and the corrective actions implemented. Decisions taken during the Fraud Examination Committee that relate to corruption are communicated to the ABC Department.





## 13 APPENDIX

### 13.1 ABC Governance Committee structure

ABC DEP	ABC Head (Chair)
PE	Head of Group Professional Ethics (Co-Chair)
FS	Head of Group Financial Security – GFS Paris
OP & REGIONS ABC Corresp.	CIB-ABC
	DM-ABC
	IFS-ABC
	APAC-ABC
	AMERICA-ABC
	Comp. Advisory
	GFS Paris – AML/ FT
	GFS Paris - OSC
	KYC Domain
	Comp. Training
	Comp. RH
	Comp. CCRM
	Comp. Communication
	Group Conduct
FUNCTIONS	Group HR
	Group Finance
	IG
	Group RISK
	Group Communication
	Group LEGAL
	Group Procurement
	Group ITP
	Group DAI
	Group RSE





### 13.2 Corruption red flags related to third parties

This is a non-exhaustive list of practices and situations that may or may not be related to corruption, but that give rise to suspicion of corruption and should trigger a closer analysis of the transaction or relationship in question. If suspicion remains, Compliance should be contacted:

- Third party or a transaction linked to Public Official, Restricted Public Officials or a Politically Exposed Person (PEP)
- Close business, personal or family relationship with a Public Official, Restricted Public Official or a PEP who has discretionary authority over the business or transaction
- Unusual or commercially non-justified transactions in the accounts when compared with the information collected during account opening
- Activities inconsistent with the stated business sector or profession
- Payment abnormalities including lack of transparency, unjustified fees or fees that are excessive in relation to the work to be performed and/or significantly higher than normal, unusual cash transactions to and from unrelated, unusual third parties and high risk jurisdictions
- Interactions/ relationships with PEP/government entities/Public Officials/Restricted Public Officials or reluctance to fully disclose relationships with or interests involving government officials
- Use of shell companies/complex ownership structures by the prospective business partner indicate or may be used to hide corrupt practices
- Commissions paid in cash or to jurisdictions different than the country of business, or paid through or to a third party, or through untraceable funds
- Discovering that the intermediary is employed by a foreign government agency and there is substantial public officials/Restricted Public Official involvement in the management of the intermediary
- Demands from government officials to engage in a business relationship with specific intermediaries
- Requests for political or charitable contributions
- Business partner offers non-public or confidential information regarding clients, competitors, or bid processes
- Intermediary/supplier/partner lacks required level of qualifications or resources to perform the services offered
- The supplier or business partner affirms it can guarantee sales, for instance because it knows the “right people” or has access to political and governmental contacts instead of knowledgeable staff or invested time and effort
- Third party’s expenses and accounting records lack transparency
- Excessive, vague, or inadequately documented invoices
- Proposals for unusual changes in payment terms or other material terms after reaching agreement
- Allegations against, investigations of, charges against, or convictions of the business partner for violations of laws relating to the award of a government contract or other improper conduct





- Refusal by the business partner to cooperate with due diligence or to agree with anti-bribery laws and regulations in general
- The country in which business is conducted has a bad reputation regarding corrupt practices or is perceived as a tax haven

### 13.3 Glossary

- **AFA** – Agence Française Anticorruption (French Anti-Corruption Agency)
- **CCIRC** – Comité de Contrôle Interne de Risques et de la Conformité (Internal Control, Risks and Compliance Committee)
- **Employee** – Following the HR Group procedure (RHG0078) an employee is an individual working permanently or temporarily for the Bank in France under an employment contract, a secondment agreement, a loan or a corporate representation agreement, or in a foreign country within an equivalent contractual framework. External assistants, temporary staff, international work experience volunteers (VIE) and seasonal employees are not included within the scope of the Policy.
- **FMP** – Fundamental Monitoring Point
- **FCPA** – Foreign Corrupt Practices Act of the United States of America
- **GC&C** – Group Control & Certification
- **GCP** – Generic Control Plan
- **GFS** – Group Financial Security
- **GSCC** – Group Supervisory and Control Committee
- **HATPV** – Haute Autorité pour la Transparence dans la Vie Publique (High Authority for Transparency in Public Life)
- **MSC** – Major Sanctioned Country
- **PE** – Professional Ethics Domain
- **PEP** – Public Exposed Person. A definition can be found at the Group Policy applicable to relationships with Politically Exposed Persons (PEPs).
- **Public official and Restricted Public Official:**

A <b>Public Official</b> is any of the following...	Within the group of Public Officials as listed on the left column a <b>Restricted Public Official</b> is any of the following...
Any individual who is himself/herself a PEP	Any individual who is himself/herself a PEP
<ul style="list-style-type: none"> <li>▪ Any individual holding a legislative, administrative or judicial office of a country, or a state, or a city, or a region, whether appointed, elected or exercising a public function for a public agency</li> </ul> OR	An employee in a senior management position, or a director/board member, or an officer of : <ul style="list-style-type: none"> <li>i. The tax organization of any stakeholder authorized by law to raise and receive taxes, such as for instance: country ,state, city; or</li> </ul>





<ul style="list-style-type: none"> <li>▪ Any individual who is official or agent of a public international organization</li> </ul> <p>OR</p> <ul style="list-style-type: none"> <li>▪ Any individual empowered to make decisions for a State-Owned or State-Controlled enterprise</li> </ul> <p>OR</p> <p>Any individual empowered to make decisions for the business of a private enterprise which is delivering services and/or products on behalf of a public sector body or for the Public Business of a private enterprise serving public interest or operating business upon delegation from a public entity or a state (or other type of authorization).</p>	<ul style="list-style-type: none"> <li>ii. A public procurement organization; or</li> <li>iii. Any public entity or public organization managing debt instruments issued by states or countries;</li> <li>iv. A governmental agency which delivers licenses or permits; or</li> <li>v. A country regulator which is regulating and overseeing the insurance, banking and/or financial sectors in the relevant country or state; or</li> <li>vi. A public international organization</li> </ul> <p>OR</p> <p>Any other Public Official as defined on the left column who has some influence or decision making power on business that the BNPP Entity is doing or considering doing.</p>
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▪ **Related corruption offences:**

- **Influence Peddling** also called ‘trading in influence’ (UN Convention Against Corruption, Article 17) occurs when a person who has real or apparent influence on the decision-making of a public official exchanges this influence for a reward. As with bribery, there are supply and demand sides to the offence. The offences of trading in influence and bribery have very similar elements, with one major exception. For trading in influence, the recipient of the advantage is not the decision-maker/official, nor is the recipient necessarily expected to act, or refrain from acting, in breach of his/her duties. The recipient may or may not be a public official. The decision-maker/official may also be unaware of the crime. The offence thus targets not the decision-maker, but “those persons who are in the neighbourhood of power and [who] try to obtain advantages from their situation” by influencing the decision-maker
- **Embezzlement**, misappropriation or other diversion of property by a public official (UN Convention Against Corruption, Article 17)
- **Abuse of functions** (UN Convention Against Corruption, Article 19)
- **Illicit enrichment** (UN Convention Against Corruption, Article 20)
- **Embezzlement of property** in the private sector (UN Convention Against Corruption, Article 22,)

▪ **Risk and Control Self-Assessment - RCSA**

- **State-Owned enterprise** - means any entity which at least 50% of the issued capital or of the voting rights, are owned, directly or indirectly by one or several national, international, regional or local public body.





- **State-Controlled enterprise** - an entity in which one or several national, international, regional or local public body may (i) appoint or dismiss the majority of the management, or (ii) control the decisions at the general meeting of shareholders or control, including through veto rights, the main decisions of the management, whatever its ownership of capital or voting rights is.
- **Scope** - For the purpose of the implementation of this procedure, the “Group entities” or “the Group” or “BNP Paribas” or “BNPP” refers to BNP Paribas SA together with all of its subsidiaries and companies under the control of the parent company located in France, irrespective of the scope of consolidation or their geographical location - in France or abroad. This scope stems from the French Sapin II law. The subsidiaries of BNP Paribas SA’s are those defined under the provisions of article L. 233-1 of the French commercial code, and the companies it controls under the provisions of article L. 233-3 of the French Code of commerce:
  - Article L. 233-1 of the French Code of commerce provides that “When a company owns more than half of the capital of another company, the second company shall be regarded, in order to apply this chapter, as a subsidiary of the first company”.
  - Article L. 233-3 of the French Code of Commerce provides that : “A company is deemed to control another company:
    - I. [...] 1° When it directly or indirectly holds a fraction of the capital that gives it a majority of the voting rights at that company's general meetings; 2° When it alone holds a majority of the voting rights in that company by virtue of an agreement entered into with other partners, members or shareholders and this is not contrary to the company's interests; 3° When it effectively determines the decisions taken at that company's general meetings through the voting rights it holds; 4° When it is a partner in, or member or shareholder of that company and has the power to appoint or dismiss the majority of the members of that company's administrative, management or supervisory organs.
    - II. - It is presumed to exercise such control when it directly or indirectly holds a fraction of the voting rights above 40% and no other partner, member or shareholder directly or indirectly holds a fraction larger than its own.
- **UBO** – Ultimate Beneficial Owner
- **WB** – Whistleblowing

### 13.4 ABC Mission Statements

- **ABC CORRESPONDENTS IN COMPLIANCE (in Operational Perimeters, Regions/Territories, Business Lines and Entities)**

All OPs, BLs, Regions/Territories, Entities appoint an ABC Correspondent within the local Compliance for preventing and detecting internal and external corruption. Their roles and responsibilities for their scope are as follows and will be added to their mission statements:

Governance

- To identify all the ABC stakeholders;







- To act as an entry point for the OPs, BLs, Regions/Territories, Entities and the local stakeholders on ABC related matters;
- To coordinate and to communicate on all ABC matters with stakeholders across their OPs, BLs, Regions/Territories, Entities in a ABC dedicated committee or in a compliance committee ;
- To articulate and coordinate the anti-corruption set-up;
- To make sure that all corruption related matters either internal or external, are well covered and reported to their OPs, BLs, Regions/Territories, Entities;
- To ensure in coordination with other domains in charge their local Unit have sufficient resources to cover ABC needs;
- To have the latter reflected in the budget process;

#### Risk Mapping

- To assess control environment for ABC risk mapping (all questions and risk statements flagged ABC); To coordinate with other stakeholders when necessary;
- To obtain validation from each local unit 's responsible;

#### Training

- To ensure that their population has been properly trained in accordance with ABC training policy (identification and segmentation based on their risk of exposure);
- To ensure compliance with ABC guidelines;

#### Recommendations and action plans follow up

- To follow up ABC related recommendations and action plans as well as to coordinate stakeholders actions when needed;

#### Procedures, controls and reporting

- To ensure that the ABC global policy and the ABC topics covered by other policies / procedures are rolled out for their scope and that all exceptions regarding ABC matters have been properly approved;
- To ensure that ABC matters included in other Generic Control Plan have been properly rolled out, that controls are performed and reported to BL / Territories / Entities Units and ABC dashboards are communicated to management;
- To coordinate with all ABC stakeholders the answers to the AFA questionnaire;

#### Detection and decision process

- To advise on alerts and cases related to corruption on request.

#### ▪ **ABC CORRESPONDENTS IN FUNCTIONS (HR, Procurement, Risk, Finance, Legal, Communication)**

Employees working in different Functions perform several important roles regarding prevention and detection of corruption. These employees can be requested to contribute to ABC matters in specific relevant situations related to their professional activity. Their roles and responsibilities are as follows and should be added to their mission statements:

#### Governance

- To attend the ABC Governance Committee (or similar body) for the scope of their Function ("their scope") when appropriate;
- To identify and communicate to the ABC Governance Committee (or similar body) on issues related to the Function that are relevant for the purpose of fighting corruption;
- To structure and coordinate the relay of anti-corruption information and implementation of actions in "his/her scope" area;

#### Risk assessment

- To contribute to the assessment of the ABC risks and related controls in "his/her scope area";

#### Training

- To contribute and participate to training when appropriate;

#### Recommendations and action plans

- To contribute to ABC recommendations and action plans when needed in "his/her scope" area;

#### Procedures, controls and reporting

- To contribute to the coverage of the ABC topics in policies / procedures issued by the Function and ensure that all exceptions regarding ABC matters have been properly approved when appropriate;





- To ensure that their scope's Generic Control Plan is reviewed to identify controls that may be relevant for anti-corruption purposes and that such controls are rolled out at and reported to the appropriate levels and ABC matters dashboards are communicated to management when appropriate;
- To contribute within their domain to the response to the AFA questionnaire when appropriate.

#### Detection and decision process

- To keep informed the Compliance ABC correspondent at the appropriate level on all the cases related to corruption that come to his/her knowledge;
- To advise on corruption cases presented to them when relevant;
- To contribute to the investigation of corruption cases identified when and if requested by relevant departments

#### ▪ **ABC BUSINESS POINTS OF CONTACT**

Employees in the business are at the frontline of the fight against corruption. These employees' engagement with and understanding of the anti-corruption framework is crucial to ensure business is conducted respecting the highest ethical standards. That is why it is important to establish a Business Point of Contact for regular exchange regarding anti-corruption and to ensure relay of information from Compliance but also feedback the reality of business needs.

As a reminder, the French Regulator on Anti-corruption (AFA) specifies that:

*"implementation of a risk management strategy and an anti-corruption compliance programme relies on top management's commitment to establish a culture of integrity, transparency and compliance";*

*"this commitment takes the form of approval of a corruption prevention and detection system, as well as a corporate code of conduct";*

*"top management should make sure that the resources allocated to preventing and detecting corruption are proportionate to the risks".*

Thus, the implication of the Business and its awareness of the ABC framework is essential. Obs: The responsibilities listed below may or may not be implemented directly by the ABC Business Point of contact himself/herself. The ABC Business Point of contact needs to liaise with the individuals in charge of the responsibilities below to ensure that concerns related to anti-corruption are taken into consideration. The roles and responsibilities of this ABC Business Points of Contact are as follows:

#### Governance

- To attend the ABC Governance Committee (or similar body) on a regular basis;
- To relay anti-corruption information and implementation of actions that need to be put in place by the business;

#### Risk assessment

- To ensure the RCSA is conducted by the Business taking corruption risk into account;

#### Training

- To contribute and participate to training when appropriate;

#### Recommendations and action plans

- To contribute to ABC remediation action plans when needed in his/her scope area;
- To ensure that business actions plans take into account the results of ABC risk assessments;

#### Procedures, controls and reporting

- To contribute to the implementation of the ABC group procedure in the areas relevant for business activities and ensure;
- To ensure that LoD1 controls that may be relevant for anti-corruption purposes are implemented;
- To support efforts needed to identify or investigate potential corruption cases (providing information or any other activity when and if requested by relevant departments);
- To contribute within business to the response to the AFA questionnaire when appropriate and to contribute to missions conducted by regulatory authorities regarding ABC when needed.





### 13.5 Interest representation: difference between the Sapin II Law framework and the BNPP Charter for responsible representation.

	Specific French framework	BNPP Charter
Concerned Public officials	Only certain French public officials specifically listed by law	All public authorities
Targeted Activity	Initiative to lobby is taken by the BNPP representative. Does not include work conducted in the context of a consultation by an administration or professional association.	Initiative taken by the BNPP representative or by the public authorities. Includes work conducted in the context of a consultation by an administration or professional association
Scope public decision	Only national laws, legislation contracts.	National and regional law, legislation and contracts
Persons authorised to conduct interest representation	Forbidden unless specifically designated or derogation approved by Public Affaires Department	Depending on local regulations
Reporting obligations	Initial registration and annual report	Depending on local regulations
Criminal sanctions	Yes	Depending on local regulation

### 13.6 Other documents of interest available on ABC EchoNet

A number of documents referred to inside this procedure can also be found on the EchoNet page of the ABC Department (<https://echonet.bnppparibas/pages/5e04d048c133fcd92421ff2>).

- ABC Digest and dedicated memos
- Country Risk of Corruption (CROC) List
- RCSA Ex Ante Guidelines
- RCSA guidelines on ABC Processes
- Compliance in investment and divestment process (including ABC criteria to assess)
- EP ABC Modus Operandi
- Mapping of sanction programs related to corruption
- Mapping of existing GCPs with ABC related controls
- Memo: “how to distinguish corruption within fraud incidents”

Additional supporting documentation is also available to ABC Correspondents on the ABC dedicated sharepoint: <https://weshare-secure.group.echonnet/sites/GFS-ABC/SitePages/GFS%20ABC.aspx>.

