



Procedure for declaring and authorising certain corporate offices held by employees of the BNP Paribas Group on a private basis, outside their professional activity.

Issuer	Group Compliance
Business Line	Professional Ethics
Level	2
Status	Validated
Scope of application	BNP Paribas Group
Area	Compliance
Subject	Conflicts of Interest
Drafted by	Group Compliance
Validated by	Jean Clamon
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Higher level procedure	• The Group's code of conduct
Main related procedures	• The procedure for gathering, verifying and using information relating to corporate offices held by Group legal entities and employees • The Group's conflict of interest global policy

Introduction

The Group Legal Department ("GLD") has published a procedure (hereinafter referred to as the **GLD Procedure**) relating to the "**procedure for gathering, verifying and using information relating to corporate offices held by Group legal entities and employees**".

The present procedure supplements said document and contains specific provisions applicable to declarations that must be made by **employees**¹ relating to:

- Corporate offices held on a private basis
- Certain other offices held or external activities performed on a private basis.

¹ An "employee": a natural person working within the **Bank**, on a permanent or temporary basis, in France under an employment contract, as well as within the scope of a secondment, a hiring-out or a corporate office, or abroad, within an equivalent contractual framework. For the application of this Policy, temporary staff and interns are considered to be employees.



The term “**office**” or “**offices**” means, when used alone, corporate offices held on a private basis and “other offices held or external activities performed on a private basis”.

These declarations enable the **Bank**² to comply with its statutory and regulatory obligations.

The gathered information will therefore make it possible, *inter alia*:

- For the **Bank** generally, to guarantee compliance with the provisions of the French Monetary and Financial Code (*Code Monétaire et Financier*) (Article R.511-2 and R.533-10 of said code as stated in the **GLD Procedure**,
 French Monetary and Financial Code, Article R. 511-2 “If they have received the powers to sign on behalf of a credit institution, the staff members of this credit institution may not, unless authorised by the general management, perform administrative, investment or management duties in another credit institution, investment firm, or commercial company governed by Book II of the French Commercial Code” and Article R. 533-10 “If they have received the powers to sign on behalf of an investment firm, the staff members of this investment firm may not, unless authorised by the general management, perform administrative, investment or management duties in another credit institution, investment firm, or commercial company governed by Book II of the French Commercial Code”;
- to comply with legal provisions for preventing cumulative offices;
- For the Compliance function to which the **employees** making declarations are attached to exercise the watch expected by the regulatory bodies on the subject of conflict of interest.

If declarations are not provided, this may prevent these various actors from fulfilling their obligations.

1 – Employees concerned

The present procedure applies to any **employee** holding an “**office**” not associated with the requirements of the BNP Paribas Group, in order to meet personal objectives.

2 – Offices to be declared

This procedure therefore covers:

- “**Offices**” that the **employee** already holds when this procedure is published or before he/she starts working for the BNP Paribas Group. The approval process is therefore carried out *a posteriori*;
- “**Offices**” that the **employee** plans to accept. The approval process is carried out prior to accepting the planned **office** or activity.

Declarations must be made using the form in Appendix 1. Decisions will be made according to the evaluation of risks of conflict of interests or of breach in the reputation of the Bank.

² “BNP Paribas” or the “Bank” or the “Group”: BNP Paribas S.A. and all its subsidiaries, whether direct or indirect.



- **2-1 – Corporate offices held on a private basis**

In the context of this procedure, certain corporate offices held on a private basis in France or abroad in commercial companies³ or EIGs, by **Group**⁴ **employees** must always be declared so that they may be authorised.

“**Corporate officer**” means,

- **In France**, Chairmen, Chief Executive Officers, Deputy Chief Executive Officers, Directors, sole Directors, Chairmen and members of the Management Board, Chairmen, Vice-Chairmen and members of the Supervisory Board, managers, permanent representatives and managers of legal entities which are themselves managers or corporate officers, and any other function of management representative or with a corporate office in a legal entity, non-voting directors, management controllers of EIGs and voluntary liquidators are, under this procedure, considered to be **corporate officers**.
- **Abroad**, corporate officers characterised as such under local law.

Any **employee** holding or wishing to hold a corporate office on a private basis in commercial companies (including certain associations, refer to footnote 3) or EIGs, **is required to declare this information** and to collect a definite approval of the **Bank** according to the process resumed in appendix 2. The notification is made to the relevant head of Compliance to which he is linked to, below called the « **Relevant Head of Compliance** », who will have been designated beforehand by the Head of Compliance of a Core Business, a Business Line, a Country or Central Functions. This statement will be made using the form in Appendix 1.

Corporate offices held on a private basis exempt from declaration and exceptions

A corporate office held on a private basis, if it involves an entity other than those referred to above⁵, is, as a general rule, exempt from the declaration procedure. However, **a declaration must be made if it relates to:**

- A legal entity in which the **Group** also has an interest (in terms of capital or as an agent);
- A legal entity that has a commercial relationship with a BNP Paribas **Group** entity within which the **employee** who is a corporate officer performs his/her professional activity. For example, the corporate office is held on a private basis within an association that is a customer of a group of agencies that employs the corporate officer (risk of a conflicts of interest);
- A legal entity that is listed on a stock exchange on any market.

With regard to these exceptions, the corporate office must be declared and authorisation must be obtained in accordance with the procedure described in Appendix 2.

³ In the context of this procedure, certain associations are treated as commercial companies if they keep full accounts, draw up annual financial statements, have a workforce of more than five persons or have turnover in excess of €250,000 or have a total balance sheet amounting to €1,000,000.

⁴ Refer to Note ‘2’

⁵ For example, the following do not need to be declared: offices in family-owned property investment companies constituted under civil law, forestry units, agricultural land grouping, and in associations that do not meet the criteria set in footnote 3.



- **2-2 Other offices and external activities performed on a private basis**

In addition, all **employees** must declare, under their own responsibility, certain offices or external activities performed on a private basis. These terms refer to any type of office or activity not listed in point 2-1 above. The **employee** concerned is responsible for assessing whether this statement is or not necessary. If unsure, the **employee** must seek the advice of the **Relevant Head of Compliance**.

This declaration would be necessary only insofar as this office or this activity is likely to:

a) – Create a conflict of interest between the employee and the Bank

This refers to a conflict between the **employee's** personal interests and the professional interests of the **Bank**. Such conflicts may arise in the context of the performance of non-professional activities, transactions, contracts or arrangements and generally occur when the personal interests of the **employee** are opposite to his professional obligations and go against the interests of the **Bank**.

In order to be able to assess the risk of a conflict of interest, the following factors should be taken into account:

- The nature of the non-professional activity;
- The position held by the **employee** within the **Bank**;
- The relationship between the **employee** and the company in which the **employee** will exercise duties or hold an office or in which he/she shall be involved or have a personal interest;
- The relationship between the **Bank** and said company.

Are deemed to be likely to generate a conflict of interest (and therefore must be declared) any office or activity:

- Exercised at a person, firm or institution (other than the **Bank**) with which the Entity of the **Bank** where the **employee** works, maintains professional relations (customer, supplier ...);
- Any advisory and/or commercial function performed in his/her own name, in conjunction with third parties or on behalf of a legal entity, company or institution other than the **Bank** in areas which would be in competition with business lines maintained in the **Bank**.

b) – Harm the interests of the Bank, including its reputation

As a reminder, when an **employee** is uncertain to determine if activities or operations which he plans, respect the fundamental following principles of the **Bank**:

- not to harm the reputation of the **Bank**
- respect lawful, regulatory, professional and deontological obligations and procedures,
- respect the integrity of markets,
- respect the interest of the customer,

he must consult his hierarchy and/or the Compliance representative of the Entity or of the Business line he is attached to.



3 – Modes of declaration

The **employee** addresses his statement to the **Relevant Head of Compliance** by using the Appendix 1 duly filled, dated and signed.

For a corporate office, he will point out if his mandate is, according to him, generator or not of risks such as described above. He will specify the reason of his/her analysis.

For another office or external activity, if he/she fills a statement it is that he/she thinks that a risk of conflict of interest or a breach of the interests of the **Bank** is possible. So he/she will detail his/her analysis and, if need be, the ways envisaged to bring a resolution to this situation.

The answer of the **Bank** is sent by the **Relevant Head of Compliance** to the **employee** in question usually within two weeks. In any event:

- Situations with possible difficulties, that is to say those that lead to the set-up of a procedure of management of the potential or proved conflict of interest, shall be managed on a case by case basis;
- It is the case too with regard to declared **offices** that the employee already holds on the date of this procedure's publication.

4 – Role of the Head of Compliance

- **4.1 – The Head of Compliance** of the Core Business, Business Line, Country or Central Functions:
 - declines the present procedure at the level of his Entity,
 - names the **Relevant Head of Compliance** responsible for its implementation,
 - makes sure that this organization is operational and efficient.
- **4.2 – Role of the Relevant Head of Compliance**

The **Relevant Head of Compliance** is responsible for the implementation of the present procedure within his/her area of responsibility.

- 4.2.1 - Providing information and monitoring

The **Relevant Compliance Officer**:

- Ensures that the Line Managers and their **employees** have been duly informed of these provisions. It is particularly important to be able to demonstrate to the regulatory bodies that the main managers of the Entities within the **Bank** have been duly informed; each such manager is responsible for taking the necessary measures to ensure that each person is aware of his/her obligation to declare;
- Organises flows of applications for authorisation and decisions;
- Receives information about changes (termination of **offices**, changes to certificates of registrations or “*Kbis*” etc.) relating to the “other offices held or external activities”;
- Sends the supporting documents and decisions to the Human Resources for their preservation.

- 4.2.2 – Making decisions

The **Relevant Compliance Officer**:

- Receives the file from the **employee** together with the background information as per Appendix 1;
- Analyses the document and determines if there is a risk or not of conflict of interest or a possible breach in the interests of the **Bank** together with the risk of reputation and relies, if need be, on an evaluation from the Head of the Business Line with his operational knowledge of the particular context of said **employee's** activity;



In case the **Relevant Head of Compliance** calls on the Head of Business Line, this last must subject himself to the strict respect for the confidentiality of the information received that will be used in no other way than for the analysis of the **office**.

This analysis can result in different types of situations:

- a) – Absence of conflict of interest or approval by the different interested parties of a resolution with no further difficulty of implementation (for instance the one proposed by the **employee** himself):
the **Relevant Head of Compliance** notifies his decision to the **employee** and informs the concerned representative of the Human resources.
- b) – For any other situation the **Relevant Head of Compliance** organizes a consultation with the Head of the Entity, the Head of the Human Resources concerned and the Legal Department Head in order to make the decision to be notified to the **employee**. On this occasion the various possible consequences will be evaluated as well as the ways of processing them.
- c) – In the event of disagreement on the decision to be notified to the **employee**, the most adapted escalation procedure is immediately engaged by the **Relevant Head of Compliance**;
➤ Notifies the decision to the employee as stated in the point a) above;

- 4.2.3 - Actualization

As part of the annual actualization of the previous statements (ref. **GLD Procedure – IV-1**), the concerned **employees** will forward to the GLD the information requested with copy to the **Relevant Head of Compliance**.

On that occasion, approvals or previous validation will be the purpose of a re-examination by the **Relevant Head of Compliance** which can lead, in the event of new situations, to a possible suspension of the approval (change of function, of position occupied by the employee, evolution of the company linked to the mandate, occurrence of a potential situation of conflict of interest). In this last hypothesis the validation process will be started.

- **4.3 – Preserving data**
Refer to point 7

5 – Role of the Head of Group Compliance – Professional Ethics

The Head of Group Compliance – Professional Ethics ensures that this procedure is implemented.

• 5.1 – Information

He/she ensures that the **Compliance Officers** of the Core Businesses, Business Lines, Countries and Central Functions have taken the actions referred to in section 4 above.

• 5.2 – Decision

If the **Compliance Officer** of the Core Businesses, Business Lines, Countries and Central Functions considers it necessary in the frame of the escalation procedure, he/she forwards the file to the Head of **Group Compliance – Professional Ethics**.



6 – Role of the concerned Head of Human Resources

• 6.1 – Participation in the procedure of decision

The Human Resources intervene on the whole in their usual mission to keep the personal data of the **employees**.

For this reason they are systematically informed by the **Relevant Head of Compliance**, of the offices notified by the **employees** as well as of the decisions taken concerning them.

The Human resources are not supposed to take part in the decision making in an ordinary situation (cf point 4.2.2.a).

On the other hand, for situations that require an enlarged consultation (cf point 4.2.2.b), the Human Resources must be associated to the exchanges preceding the decision.

• 6.2 – Preservation of the declarations of “offices”

The concerned Head of Human Resources ensures the conservation of data regarding **offices** notified by the **employees** as well as decisions with regard to them.

7 – Registration and preservation of “offices”

• 7.1.a) – Registering corporate offices held on a private basis

Once the approval process (refer to points 3 and 4 above) is complete, the corporate offices are registered as follows:

For BNP Paribas S.A., in France:

Once the decision is taken, the **Relevant Head of Compliance** forwards the form as per Appendix 2 to Group Compliance– Professional Ethics, with, as an attached document, the certificate of registration (*Kbis*) or any other official documents showing the main features of the company and proving that the latter is duly officially registered.

Group Compliance – Professional Ethics:

- Requests the recording of the office and related information in the “Référentiel des Entités Juridiques du Groupe”, REGENT, i.e. the database of Group entities and of their equity interests (cf.: **the GLD Procedure**);
- Sends to the concerned Head of Human Resources the cover note as per the Appendices 1 and 2 together with the attachments, so that these documents are added in the personal file of the **employee**;
- May keep a copy of the file thus transmitted (case of the **employees** ethically classified as sensitive in particular).

For other Entities, Subsidiaries or Countries:

The Relevant Head of Compliance

- Ensures that the **employee** responsible for the Entity’s REGENT database records information about offices held, any related information and any subsequent changes in the “Référentiel des Entités Juridiques du Groupe”, REGENT, i.e. the database of Group entities and of their equity interests (cf.: **the GLD Procedure**);
- Sends to the Head of Human Resources concerned the cover note as per the Appendices 1 and 2, so that these documents are added in the personal file of the **employee**.



- **7.1.b) – Preserving corporate offices held on a private basis.** Preservation:
 - Of information relating to corporate offices is ensured by using the REGENT database as previously indicated;
 - Of Appendices 1 and 2 showing the decision-making process,
 - Of the data elements relating to corporate offices (*Kbis* etc.)

is made by the relevant Head of Human Resources.

At the time of a transfer, the concerned Head of Human Resources (in the entity of welcome), will inform the **Relevant Head of Compliance** of the existence or not of corporate offices held on a private basis. The **Relevant Head of Compliance** will then proceed to the analysis aiming at determining whether risks of conflict of interest or of breach in the reputation of the **Bank** exist or not in the new context.

- **7.2.a) – Registration of the “Other offices and external activities performed on a private basis”**

Registration of “other offices and external activities performed on a private basis” is undertaken by the **relevant Compliance Officer** in the form of a list specific to his / her Entity and updated by the Entity in question. After recording in his / her list he / she transmits the file to the concerned Head of Human Resources, for preservation.

These declarations of **offices** are not incorporated in the REGENT database, which is reserved strictly for corporate offices.

- **7.2.b) – Preserving information about the “Other external offices and activities performed on a private basis”**

Preservation of:

- The declaration of “Other offices and external activities performed on a private basis”;
- Appendices 1 and 2 showing the decision-making process;
- The information elements relating to the said offices;

is made by the relevant Head of Human Resources in the file of the **employee**.

In the event of a transfer, the employee will inform his/her new **Relevant Head of Compliance**, if he/she believes that the conditions that justified his/her preceding declaration still apply; he /she will make a new declaration which cancels and supersedes the preceding one, according to the process described previously (cf 3 “Modes of declaration”).

On the contrary, when no new declaration is made, the previous file will be archived and retained for five years by the relevant Head of Human Resources, then destroyed.

8 – Non-compliance with these provisions

Employees are reminded that non-compliance with these provisions or with the relevant applicable rules may be punished, in accordance with the statutory and regulatory provisions in force in the various BNP Paribas Group entities.



DECLARATION OF OFFICES HELD ON A PRIVATE BASIS BY A GROUP EMPLOYEE

- SUBMISSION FORM ⁶

*(To be **completed by the employee** and forwarded to the **Relevant Head of Compliance**)*

1) – Employee:

Surname and first name:.....

ID number:

Group Entity in which the Group employee works:.....

.....

Position within this Entity:.....

Direct contact with customers: **YES / NO**

If yes: type of customers (individuals, private banking, companies, large corporates, institutionals etc.):.....

2 – Nature of the request:

The employee already holds the office: **YES / NO**

The employee wishes to hold a new office: **YES / NO**

Corporate Office held on a private basis: **YES / NO**

Other Office or external activity: **YES / NO**

3) – Entity within which the employee holds the office on a private basis:

Company name:

Legal form:

Trade and companies register No. (RCS) (SIREN):

Listed company: **YES / NO**

If YES, ISIN code of the security:.....

Address of the registered office:.....

.....

Business activity:.....

Type of **office** stated in the application (manager, chairman, director etc.):.....

⁶ *Reminder: The approval decision is based on the information contained in this form. Any subsequent changes to the information provided may affect the initial decision.*

The personal data gathered in the present document are treated and recorded by BNP Paribas responsible for their treatment. They are mandatory and only used by the Bank to meet the regulation and lawful obligations concerning the social mandates and possible conflict of interests.

These personal data will benefit from a right of access, correction and opposition to your Compliance Head, in the conditions envisaged by the modified law n ° 78-17 of January 6th, 1978 relating to the data processing, the files and freedoms.



Projected date for the expiry of the **office** in accordance with the times stated in the company's articles of association or in the appointment decision:

.....

Supporting documents attached: articles of association, up-to-date certificate of registration (*Kbis*):.....

Relationships between the Entity and BNP Paribas:.... ..

Other useful information:
.....
.....
.....

4) – The **employee** considers that there exists a conflict of interest between his /her office and his / her business activity within BNP Paribas: **YES / NO**

Justification in both cases:

.....
.....
.....
.....

DATE AND SIGNATURE OF THE EMPLOYEE:



SUBMISSION AND DECISION FORM
(to be completed by the *Relevant Head of Compliance*)

5) – Is there a risk of a conflict of interest: YES / NO

If yes, provide details:.....
.....
.....
.....
.....

Can this conflict of interest be managed by the entity: **YES / NO**

If yes, how:
.....
.....
.....
.....

6) – Other reasons for reservations about the validation of the situation created by the existence of the mandate:

.....
.....
.....
.....

7) In case the advice of the Head of Business Line is requested by the Relevant Head of Compliance:

Surname and first name of the Head of Business Line:.....

Directory ID:.....

Position:.....

Notice: Approved / Denied (cross out the useless mention)

Justification in both cases:

.....
.....
.....
.....

8) –Decision by the relevant Compliance Officer:

(to be filled by the relevant Head(s))

Surname and first name:.....

Directory ID:

Position:

Date of the decision and/or submission (for decisions requiring specific authorization) to **Group Compliance- Professional Ethics**:.....



Decision: Approved/Denied (cross out the useless mention)

Justification in both cases:

.....
.....
.....
.....

DATE AND SIGNATURE OF THE OFFICER(S):

9) - Constitution of a Committee of decision pursuant to the provisions of article 4.2.2

(To be filled by the Head of Compliance chairing the Committee)

Date of the Committee:

Committee chaired by:

Participants:

Reason for the setting up of the Committee:

.....
.....
.....
.....

Date of the decision:.....

Notice: Approved / Denied (cross out the useless mention)

Justification in both cases:

(if decision is not unanimous the process of escalation is launched)

.....
.....
.....
.....

SIGNATURE OF ALL THE PARTICIPANTS:

Transmitted within the frame of an escalation procedure to:

On:

Reason for such a transmission:

10) – Date when the corporate office held on a private basis is recorded in REGENT: