

The Sharekhan Code of Conduct

AN ADOPTION OF THE BNP PARIBAS GROUP'S
CODE OF CONDUCT

Sharekhan

by BNP PARIBAS

THE BNP PARIBAS GROUP CODE OF CONDUCT



BNP PARIBAS

The bank
for a changing
world

Foreword

The Board of Directors and General Management of BNP Paribas share the conviction that the success of the bank depends directly on the behaviour of each employee.

Together, we are committed to building the future of BNP Paribas on the foundations of professional expertise and integrity.

This requires ensuring the engagement of all employees across the Group, and earning the trust of our partners, clients and shareholders, as well as public officials and representatives of civil society in every country where the bank does business.

To do this, we must of course scrupulously comply with laws and regulations. At the same time, we must go further and make certain that every decision is guided by a deep sense of ethical responsibility. This begins with an ability to learn from inappropriate practices.

The world in which the bank operates continues to change at an accelerated pace. BNP Paribas can manage these changes by anticipating them, adapting and innovating thanks to a corporate culture anchored by solid values that are applied without compromise.

This spirit has shaped our Code of Conduct, which defines the rules which govern all our actions, consistent with our core values. This Code of Conduct guides our thinking and our behaviour. It expresses what we aspire to be: one of the most respected European banks with a global reach.

The Code of Conduct is a guide for our actions and decisions. There are no specific rules that can apply to every situation. Rather, the Code of Conduct should be sufficiently embedded to ensure that, aided by personal judgement, this spirit is always respected.

We place our trust in all our employees to fully engage with these values and principles, which underpin our contribution to society, our unity and our success.



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Jean Lemierre
Chairman of the Board
of Directors
Jean-Laurent Bonnafé
Chief Executive Officer

31 March 2016

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Overview



The BNP Paribas Group Code of Conduct sits at the heart

of every action. It guides all decisions at all levels of the organisation. As such, all internal policies and procedures within the Group will be reviewed and made consistent with the Code if deemed necessary.

The Code of Conduct comprises of three parts. The first section, on *Mission* and *Values*, is intended to guide and inspire all behaviours. The second section covers the *Rules of conduct* to be shared and implemented. The third section, called the *Code of Conduct in Practice*, provides helpful guidelines on how to apply the rules of conduct.

MISSION AND VALUES

- > **Mission** – States what the Group stands for and what its purpose is.
- > **Values** –the BNP Paribas Way– directs our actions. The BNP Paribas Way is organized around four Strengths and four Driving Forces.

RULES OF CONDUCT

Rules of conduct are concrete rules which all BNP Paribas Group employees must understand and follow. Complying with these rules is essential to our ability to uphold our Values and ethical standards, a prerequisite for acting in the BNP Paribas Way.

THE CODE OF CONDUCT IN PRACTICE

This section provides detail on how to apply the Code of Conduct. It clearly articulates what is expected from each employee and the questions that each needs to ask him/herself before making decisions. It also addresses how the Code fits in with local laws or regulation, and deals with our whistleblowing policy. Each business will be responsible for tailoring and deploying, when relevant, the practical implications of the Code of Conduct for their respective activities.

A Mission and Values



The social contribution of the BNP Paribas Group starts with its economic responsibility to finance the economy in an ethical manner, helping our clients achieve their plans and projects. Furthermore, the Group is closely involved in the local communities where it does business, and recognises that it has additional social, civic and environmental responsibilities.

In order to ensure that the impact of the work of its employees is positive, the BNP Paribas Group upholds the highest standards of conduct and ethics in the areas of Human Rights, labour, the environment and anti-corruption. As such, the Group acknowledges and is committed to respecting a number of principles and norms which underpin the way it does business:

- > The United Nations Sustainable Development Goals¹
- > The 10 Principles of the United Nations Global Compact²
- > The internationally-accepted OECD Guidelines for multinational enterprises³
- > The internationally-accepted standards of Human Rights, as defined in the International Bill of Human Rights
- > The core labour standards set out by the International Labour Organisation⁴

¹ <http://www.undp.org/content/undp/en/home/mdgoverview/post-2015-development-agenda.html>

² <https://www.unglobalcompact.org/what-is-gc/mission/principles>

³ <http://www.oecd.org/corporate/mne/>

⁴ <http://www.ilo.org/global/standards/introduction-to-international-labour-standards/conventions-and-recommendations/lang--en/index.htm>

Mission

The mission of BNP Paribas is to provide financing for the economy and advise clients in an ethical manner, supporting their projects, investments and savings management.

MISSION

The Mission, explicitly states what the Group stands for, and its purpose

We want to have a positive impact on our stakeholders - customers, employees, shareholders - and on society. We want to contribute to a better future.

Our highly committed teams will deliver first-class service and solutions to our clients through the Group's integrated model.

We will offer an inspiring and stimulating place to work for our colleagues.

We want to be among the most trustworthy players of our industry, by anchoring further our Values and ethics in everything we do.

In today's environment, it is not enough just to respect laws and regulations. We also want to demonstrate that the activities of BNP Paribas have a positive impact on all our stakeholders at large, and that the Group is both a profitable company and a responsible actor in the economies it serves.

The BNP Paribas Group's integrated model allows us to offer the first-class service that clients demand and deserve. Maintaining an integrated model is not just about the diversification of risks. It is also about the way all employees serve our clients. The Group's integrated model enables us to have a detailed knowledge of our clients as well as the ability to draw on the broad resources and capabilities of the Group to offer the best possible solutions.

The integrated model allows us to gain the trust of our clients across the globe every day.

We also have a duty to be always attentive to the expectations of our employees, the Group's most valuable asset. It is their hard work and their ideas that drive the success of the BNP Paribas Group. In order to succeed, our employees need to work in an inspiring and stimulating environment.

When everyday behaviours are anchored in the Values and everyone acts with impeccable conduct, it builds trust with colleagues and clients. This trust is what will set the BNP Paribas Group apart within the industry.

The Group's mission encompasses a broad spectrum of stakeholders. It is the responsibility of everyone to ensure that our values and rules are more than mere words and make them come alive at both a personal and collective level within the BNP Paribas Group.

The BNP Paribas Group will be guided in the pursuit of its mission by the Values, which underpin all actions and decisions across the organisation.

Values

Our values -The BNP Paribas Way- represent the collective view of thousands of BNP Paribas Group employees. Our core values were developed through a collaborative process in which all the BNP Paribas Group staff were invited to contribute.

Everyone in the Group must be guided by these values in their day-to-day activities. Spelling out the Values enables current and future employees to better understand what is expected of them and what makes the BNP Paribas Group unique.

Upholding these Values is essential for pursuing the Group's strategy of transformation and growth while safeguarding the trust that the customers, employees, shareholders and the wider community place in the Bank.

OUR STRENGTHS - The Strengths are the cornerstones of the BNP Paribas Group. They will allow to maintain the integrated universal banking model and top-ranking positions in the future.

STABILITY

We build upon our solid long-term oriented management, our diversified and integrated business model and our international footprint

RESPONSIBILITY

We build upon our culture of responsibility and integrity to ever better serve the interest of our customers

EXPERTISE

We build upon the recognised and expanding knowledge of our teams

GOOD PLACE TO WORK

We foster a stimulating workplace where people are treated fairly and with respect

OUR DRIVING FORCES - The Driving Forces are the areas that all employees must always work on and develop to succeed in their challenges and to build the future of the BNP Paribas Group.

AGILITY

We want to behave more simply, to embrace useful innovation and digital transformation

COMPLIANCE CULTURE

We believe in promoting clear rules to foster a strong culture of compliance and ethics

CLIENT SATISFACTION

We believe that our success lies in being the customers' and clients' preferred choice. We seek to listen carefully to them and work closely with them

OPENNESS

We promote open-minded attitudes towards our stakeholders. We aim for everyone in the Group to feel included, to have their say and to be empowered

What it takes to get there

To live by our Values and achieve our Mission, we must be prepared to make courageous choices and decisions. The Group is committed to improve continuously:

HOW BUSINESS IS DONE

- > Address the clients' needs in an open and responsible manner, with the highest standards of compliance and ethics
- > Collectively build on our expertise to achieve excellence in the businesses we chose to operate
- > Consider the consequences of our actions on the wider society

HOW WORK IS PERFORMED

- > Foster digital and useful innovation
- > Simplify further the way of working to gain agility
- > Allow people to experiment in a test-and-learn approach
- > Trust and empower people to embrace business opportunities and client development within a clear framework
- > Make decisions at all levels of the organization and be accountable for actions

HOW PEOPLE ARE CARED FOR

- > Actively promote diversity
- > Encourage mobility to offer diversified experiences
- > Develop talents and continue to invest in the Group's key asset: its people

B / The rules of conduct



The rules of conduct

In order to live by our Values – the BNP Paribas Way – we need to respect rules. In this document you will find a clear articulation of acceptable and unacceptable behaviours. Complying with these rules is essential to the ability to upholding our values and ethical standards, a prerequisite for acting in the BNP Paribas Way.

The rules are arranged into the following seven themes:

CONDUCT THEMES	VALUES Strengths & Driving forces	RULES OF CONDUCT
CUSTOMERS' INTERESTS	<ul style="list-style-type: none"> > Expertise > Client satisfaction > Compliance culture 	<ul style="list-style-type: none"> + Understanding customers' needs + Ensuring fair treatment of customers + Protecting customers' interests + Protecting customers' confidentiality + Communicating transparently in sales and marketing + Dealing fairly with customers' complaints
FINANCIAL SECURITY	<ul style="list-style-type: none"> > Responsibility > Compliance culture 	<ul style="list-style-type: none"> + Fighting against money laundering, bribery, corruption and terrorist financing + Complying with sanctions and embargoes
MARKET INTEGRITY		<ul style="list-style-type: none"> + Promoting free and fair competition + Complying with market abuse rules + Managing conflicts of interest
PROFESSIONAL ETHICS		<ul style="list-style-type: none"> + Never using inside information in personal transactions + Avoiding conflicts of interest in outside activities + Taking measures against bribery and corruption
RESPECT FOR COLLEAGUES	<ul style="list-style-type: none"> > Good place to work > Openness 	<ul style="list-style-type: none"> + Applying best standards in professional behaviour + Rejecting any forms of discrimination + Ensuring the safety of the workplace
GROUP PROTECTION	<ul style="list-style-type: none"> > Stability > Agility 	<ul style="list-style-type: none"> + Building and protecting the BNP Paribas Group's long term value + Protecting the Group's information + Communicating responsibly + Acting ethically with external parties + Taking risks responsibly while ensuring close risk control + Being responsible when leaving the BNP Paribas Group
INVOLVEMENT WITH THE SOCIETY	<ul style="list-style-type: none"> > Responsibility > Compliance culture 	<ul style="list-style-type: none"> + Promoting respect for Human Rights + Protecting the environment and combating climate change + Acting responsibly in public representation

1 Customers' interests

Our success lies in being our customers' preferred choice. To gain our customers' trust, all employees must always act in a way that protects customers' interests while complying with all relevant laws.

To achieve this, the BNP Paribas Group invests in understanding its customers' needs. Communication with customers is open and honest and the services offered to them should be the most appropriate choice to meet their needs and goals. All employees always endeavour to ensure that clients' long-term interests are taken into account. In case a customer is unsatisfied, action must be taken swiftly to make things right.

UNDERSTANDING THE CUSTOMERS' NEEDS

We have a duty to understand customers' needs and there is a responsibility to:

- > Seek always to understand the needs, expectations and interests of customers in order to provide them with appropriate products and services

ENSURING FAIR TREATMENT OF CUSTOMERS

It is essential to ensure fair treatment of customers and expectations are to:

- > Act fairly, honestly and transparently in all professional actions to gain the trust of customers
- > Avoid providing any customer with undue preferential treatment
- > Work with customers who find themselves in financial difficulty in order to find a mutually beneficial solution to their situation

PROTECTING CUSTOMERS' INTERESTS

We have a strong commitment to protect the customers' best interests, which requires us to:

- > Know and comply with the rules protecting consumers' rights in markets where the Group operates
- > Design products with customers' interests in mind
- > Ensure the products sold are easy to explain
- > Ensure products can be understood by clients
- > Apply fair and transparent pricing in accordance with applicable laws and regulations
- > Ensure that the activities comply with applicable laws and regulations, including tax rules
- > Never act on behalf of a customer without authorization (e.g. a mandate, or customer instruction)

In the relationship with third party distributors, there is a responsibility to:

- > Seek to partner with distributors who share our Values and Code of Conduct Principles.
- > Understand the roles and responsibilities of product manufacturer and distributor and ensure there are no conflicts of interest that could negatively affect customers.

PROTECTING CUSTOMERS' CONFIDENTIALITY

It is important that customers' confidentiality remains protected, which means to:

- > Treat all customers relationships as strictly confidential
- > Keep client information confidential at all times unless disclosure and/or use of the information is permitted by applicable law and/or with the expressed consent of the client
- > Share client information within the BNP Paribas Group with those colleagues who genuinely need to see it to serve the clients best interests in accordance with the applicable law and internal rules
- > Only collect data necessary for a specific professional purpose
- > Comply with the Group's system of information barriers

? A customer came to inform me that he/she is going to divorce his/her partner and is therefore planning to open an account in his/her own name. He/she asked me to inform him/her about the personal resources his/her partner owns at the same bank, as he/she is having some financial difficulties. Should I help this customer?

Absolutely not. You are subject to banking secrecy. You must refuse to comply with this request.

? A business owner is considering acquiring commercial real estate from his private wealth. He asked me how he can best structure the acquisition. Can I share customer information with my wealth management colleagues before the client meeting?

Yes, if it complies with the Group's system of information barriers. Within the BNP Paribas Group, you can share information if it is in the client's best interest and allows the Group to deliver the full value of its integrated model.

COMMUNICATING TRANSPARENTLY IN SALES AND MARKETING

All commercial communications addressed to customers aim to be transparent with respect to the services and products offered and we are expected to:

- > Aim to ensure that all customer communications are fair, honest, transparent, understandable and not misleading
- > Provide all the required information in order to enable customers to understand:
 - What they are buying, including the expected performance, pricing and risk characteristics.
 - What they are paying for, including the cost of the products, services and advice chosen.
- > Carry out sales and marketing of the Group's products and services with integrity
- > Answer customer's questions to the best of our ability and in a timely manner

DEALING FAIRLY WITH CUSTOMERS' COMPLAINTS

We have a duty to deal fairly with customers' complaints, which means we:

- > Handle customers' complaints in a fair, transparent and timely manner
- > Set things right as soon as possible, if errors are identified



? A customer wants to buy a product which he thinks he needs but the product is not considered suitable by the BNP Paribas Group risk framework. Despite many discussions he will not consider alternatives and is threatening to take his business elsewhere. What should I do?

It is your responsibility to spend the time with the customer to help him to understand the product's features and associated risks since we must provide all relevant information to our customers. You should explain why you believe the product may or may not satisfy the customer's objectives and needs. If you believe that the product is not in the customer's interests, then you should not engage in this transaction. You may propose one or more appropriate alternatives. You can seek assistance from your manager if needed. Customers' long-term interests and the reputation of the Group shall prevail over short-term gains. Have this honest conversation with the customer and walk away from the transaction if you need to.

? A corporate client wants to enter into a transaction to hedge a specific risk. Unfortunately, the underlying exposure cannot be perfectly hedged in the market. The only solution is to use a proxy index, which has proved in the past to be highly correlated to the evolution of the underlying exposure. Our marketing material shows this has been a very efficient hedge over the past 5 years. How should I communicate this to the client?

Past correlation does not guarantee the hedge will correlate with the underlying in the future; you should highlight this risk to the client, even if it is considered remote. You can include simulations to show the potential impact if necessary.

2 Financial security

The BNP Paribas Group is dedicated to serving its customers. At the same time, the Group always needs to be conscious of the impact its actions can have on wider society. The BNP Paribas Group is committed to complying with all applicable laws for preventing criminal and terrorist activities, and to upholding international action that is conducted through the financial industry.

Because these laws can be complex, and apply differently across businesses and regions, the Group is committed to promoting clear rules to foster a strong culture of compliance and ethics.

FIGHTING AGAINST MONEY LAUNDERING, BRIBERY, CORRUPTION AND TERRORIST FINANCING

It is every employee's responsibility to support the Group in combating against economic crime including fraud, money laundering, corruption and terrorist financing. The BNP Paribas Group has set up a mechanism to help prevent and combat corrupt practices. Accordingly, an Addendum on Fighting Corruption has been drawn up and integrated into the existing Code of Conduct.

Everyone is therefore required to:

- > Be alert to and contribute to fighting against all forms of economic crime including fraud, money laundering and terrorist financing, regardless of the circumstance or stakeholder involved
- > Make sure adequate due diligence and controls are performed to know the customers and how they use the Group's products and services
- > Be vigilant that customer transactions are not related to bribery or corruption. Report any suspicious operation to Senior Management or to local Compliance

COMPLYING WITH SANCTIONS AND EMBARGOES

The Group is committed to complying with applicable sanctions and embargoes, which means an obligation to:

- > Understand the economic sanctions and embargoes applicable in the markets where the Group operates, or is in contact with
- > Abide by the Group's policy and the local laws with regards to sanctions and embargoes in the country in which the Group operates
- > Report to Group Financial Security any attempt to circumvent the sanctions regime

? I have noticed that a civil servant close to an acting minister in a country where the Group is active just received a large sum of money on his account. He gave me an explanation for this large transfer but the transaction still seems suspicious to me. What should I do?

You should refer this transaction to your Compliance entry point in order to make sure that the evidence provided is compelling enough. If the evidence is not compelling enough, a Suspicious Transaction Report will need to be filled in and sent to the relevant Authority

? One of my customers initiated a transfer in USD to a beneficiary residing in a country under embargo, which was rejected. A few days later, he tried to make the same transfer of the same amount to the same beneficiary, this time with a different address in a country not subject to financial sanctions: am I expected to do something about it?

Yes, definitely. A circumvention report should immediately be sent to Group Financial Security and a look back on the account must be completed to ensure that no similar transaction took place in the past.

? This morning, one of my customers asked me to issue a letter of guarantee for the export of ammunitions in a country under sanction (weapons ban). What action should I take?

You should refuse the transaction and notify your Compliance entry point.

3 Market integrity

Fair and effective markets are essential for an efficient and growing economy. The BNP Paribas Group is committed to upholding and protecting the integrity of markets. Anti-competitive behaviour is rejected and the Group is committed to building upon a culture of responsibility and integrity to better serve the interests of our customers.

COMPLYING WITH MARKET ABUSE RULES

It is the responsibility of every employee to:

- > Comply fully with market abuse rules including insider dealing rules
- > Be proactive in identifying and reporting potential market abuse and act to minimize the risk of detriment to the customer and the market
- > Protect confidential market and customer information and data and not communicate any false or misleading market information
- > Comply with information barriers (also known as "Chinese wall" policies and procedures)
- > Never misuse inside information
- > Never act with the intention of moving a market price to a level that is not reflective of market supply and demand (including market indices and benchmarks)
- > Never participate in operations intended to alter fictitiously the market value of assets or liabilities in order to generate revenues or profits, or to avoid losses
- > Avoid behaviour that is likely to impair the smooth functioning of the markets; always deal in good faith and seek to support stability, liquidity and transparency in the markets

PROMOTING FREE AND FAIR COMPETITION

Promoting free and fair competition is a commitment of the Group, which means we:

- > Comply with competition laws in all jurisdictions in which the Group operates
- > Never seek competitive advantage through unethical or illegal practices
- > Always cooperate with market regulators
- > Always take care to act fairly and with integrity in commercial relationships with clients, suppliers and/or distributors, and to ask advice from the appropriate legal or compliance manager in case of doubt.



? A client is making enquiries about the nature of buy/sell orders by another large client we are dealing with. What should I say?

It is strictly forbidden to reveal any information about any of our clients' or counterpartys' intention.

MANAGING CONFLICTS OF INTEREST

The BNP Paribas Group is a global banking institution serving customers in many countries via several business lines. In order to manage any conflicts of interest involving the BNP Paribas Group that could emerge, it is essential to:

- > Be proactive about identifying, managing and disclosing any situation where the BNP Paribas Group could have a conflict of interest
- > Never accept a mandate or commit to a transaction on behalf of the BNP Paribas Group without first checking that the Group is not conflicted



? A client has asked me to participate in the financing of the acquisition of a target company. However, one of my colleagues in the CIB division is advising a competitor on the same transaction. Can I go ahead with the financing?

You should refer the case to the BNP Paribas Group Conflict of interests Committee. You have to ensure that the bank is not conflicted before going ahead with any financing transaction and before disclosing the information to the customer.

? During a meeting I heard some non-public information which may negatively affect some shares one of my friends holds. I would hate to see my friend lose money and I have no personal financial interest in the matter. Can I share the information discreetly?

No. You should not share the information with your friend. If you hold material non-public information relating to any securities, tipping another individual is still a form of insider trading and could be a violation of the law.

4 Professional ethics

The integrity and ethics of each employee as individual are the most basic building blocks of the BNP Paribas Group Code of Conduct. The rules in this section are intended to ensure that a consistent high standard of individual integrity and professional ethics is maintained.

NEVER USING INSIDE INFORMATION IN PERSONAL TRANSACTIONS

All employees should be committed to the following rules:

- > Never perform personal securities and financial transactions while in possession of relevant confidential information obtained in professional activities
- > Never disclose confidential information to family members and close relations
- > Comply with the Group's internal policies on personal securities and financial transactions for personal account dealing and respect restrictions on personal trading activities

In addition, the employees exposed to MNPI (Material Non-Public Information) are identified as 'sensitive' employees and should commit to:

- > Make sure they understand the restrictions that apply to them with regards to personal transactions
- > Disclose all their relevant personal transactions in financial instruments

AVOIDING CONFLICTS OF INTERESTS IN OUTSIDE ACTIVITIES

The scope of professional ethics also includes the activities performed outside the BNP Paribas Group; Consequently, every employee must be mindful to:

- > Always request pre-approval for any corporate mandate outside the BNP Paribas Group and, for new joiners, always disclose existing corporate mandates
- > Always disclose any business activity outside the BNP Paribas Group⁵ where the bank's reputation may be at risk or where conflicts of interests may arise
- > Never involve the Group in connection with personal activities without prior formal approval
- > Comply with the Group's internal policy with regards to outside activities

? Knowing that I work at the BNP Paribas Group, the buyer of my car has asked me to help him to finance his purchase. What should I do?

You must not place yourself in a situation involving a conflict of interest. Hence, you should not provide funding to the buyer. Rather, you should guide the buyer to the branch where he lives. If this branch is where you work, you must contact your manager.

? My partner runs a training firm and has submitted a proposal to the BNP Paribas Group to run one of our training programmes. Is that ok?

Your partner can submit a proposal to the BNP Paribas Group. To avoid any potential conflicts of interests you should disclose this relationship to your Manager and the Procurement team. Your partner's proposal will be considered in our standard procurement processes and you should refrain from any participation in that process.

⁵ Excluding trade union activities as defined in the French 'Code du travail'



? For several months now, I have been in charge of the Bank's relationships with some of its suppliers. Following a call for tenders, I chose 'Caterers & Co' to cater an event for customers. Now I need to choose a caterer for my child's wedding. What should I do?

A clear distinction must be made between private interests and professional interests in order to avoid situations that could cause conflicts of interests. Your relationship with 'Caterers & Co' was initiated in a professional context; you should therefore refrain from using this caterer in a private context.

? One of my clients proposes to lend me money as I am currently going through a difficult period in my personal life. I am tempted because a relationship of trust exists with him. Moreover, I am indeed going to reimburse him. Should I accept the proposal of my client?

Absolutely not. This would lead to a situation of conflict of interest. You must decline the offer and find another solution.

? I want to launch an online business, and be the manager of the company, in addition to my job at the BNP Paribas Group. Am I allowed to do so?

You cannot be the manager or a director of your business without explicit approval from the BNP Paribas Group. You must formally ask the BNP Paribas Group and detail the nature of the mandate you are going to have with the company. This prior approval will allow the bank to assess whether a conflict of interest exists (depending on the geographical sector, your activity at the bank, the nature of the business, etc.). Once the agreement has been obtained, your mandate will be registered in a database and integrated into your personal file, along with other external activities, by the person in charge of human resources.

TAKING MEASURES AGAINST BRIBERY AND CORRUPTION

Corruption is unacceptable to the BNP Paribas Group, regardless of its form and circumstances. The Group and all employees have zero tolerance towards bribery and corruption which should be actively combatted. The BNP Paribas Group has set up a mechanism to help prevent and combat corrupt practices. Accordingly, an Addendum on Fighting Corruption has been drawn up and integrated into the existing Code of Conduct.

Therefore, there is a duty to:

- > Never directly or indirectly solicit or offer illicit commission
- > Never promise, give or accept any improper business benefit which could have an impact on the required behaviour of the beneficiary

As a result, every employee is expected to comply with the Group's internal policy with regards to gifts and entertainment and should commit to:

- > Respect the limits and prohibitions defined in the Group's internal policies, as detailed in each country where the Group is active
- > Make sure that receiving or offering gifts or entertainment is legal
- > Seek authorization from Compliance for any exception to the Group's policy
- > Register with the Compliance team any gift or entertainment which is beyond the identified reasonable amount



? A long-term customer of mine has just offered me tickets to a major sold out entertainment event. Can I accept the tickets?

You should refer to the BNP Paribas Group gifts and entertainment policy which sets out in detail the criteria for accepting hospitality. If you are still unclear then you should consult your Manager, or your local Compliance Officer.

5 Respect for colleagues

The BNP Paribas Group aspires to foster a stimulating workplace where people are treated fairly and expects all employees to display professional behaviour under any circumstances.

APPLYING BEST STANDARDS IN PROFESSIONAL BEHAVIOUR

Everyone has the responsibility to behave professionally and responsibly with their colleagues, which means we commit to:

- > Be pro-active in knowing and complying with the Group's permanent policies, procedures and other instructions given by management relating to our professional activities
- > Respect applicable professional secrecy rules at all times
- > Treat all colleagues with respect
- > Make sure that the interactions with colleagues are professional and effective at all times
- > Listen to and value the input from colleagues, even if they express views which may differ from ours



? As a manager and leader, how can I promote good conduct in the organization?

You should lead by example and hold yourself to the highest ethical standards. Create an environment of open and honest communication and encourage discussion of ethics and integrity in business decisions at team meetings. Make it known to employees that they can and should report any conduct concerns that they have without needing to worry about any potential retaliation.

? I am a manager and I have heard discussions which suggest misconduct in another area of the business. It does not sit within my responsibility so should I still raise my concerns?

All colleagues, including managers, are responsible for raising any concerns regarding behaviour which might be in violation of the law, regulation or the Code of Conduct. You can raise this concern with your manager. If you are uncomfortable doing this you can also raise the issue with Compliance or use the whistleblowing channel. There is no retaliation for reporting concerns if it is done in good faith.

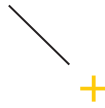
REJECTING ANY FORMS OF DISCRIMINATION

The BNP Paribas Group is committed to maintaining a positive work environment where all employees are treated with respect and dignity.

In order to respect others, employees shall not discriminate against any person within the Group.

Employees must:

- > Promote fair treatment of candidates in the recruitment process, always base judgement on objectively assessed competencies and skills, ensure equal opportunities and define reward conditions in a fair and equitable way
- > Reject all forms of discrimination, bullying or harassment against other employees, customers or any person with a relationship to the BNP Paribas Group based on factors such as race, colour, creed, religion, nationality, ethnic origin, age, gender, sexual orientation, marital status, disability or political opinion
- > Not engage in sexual harassment, or conduct themselves in a way that could be construed as such. "Sexual harassment" is defined as any behaviour of a sexual nature that affects the dignity of women and men, which is considered as unwanted, unacceptable, inappropriate and offensive to the recipient, and that creates an intimidating, hostile, unstable or offensive work environment



? I overheard a colleague referring to another colleague using racist language. What should I do?

You can say something directly to your colleague if you are comfortable doing so, but in any case you should contact your manager and / or the Human Resources department or use the whistleblowing channel to raise your concerns. It may be easier to look the other way, but we all have a responsibility to create and maintain a respectful and collaborative working environment.

? I witnessed one of my colleagues making inappropriate sexually suggestive comments to another colleague. What should I do?

Everyone has a role to play in creating and maintaining a working environment in which their dignity is respected, in which victims of discrimination and harassment will not feel that their grievances are ignored or trivialized, or fear reprisals. You can talk to the persons involved if you are comfortable doing so; in any case, you should raise the matter to your manager and seek specific advice from your Human Resources representative.

ENSURING THE SAFETY OF THE WORKPLACE

The Group considers the safety of the workplace as a key strength and it is the responsibility of each employee to:

- > Participate in promoting a safe and secure workplace for the daily activities and comply with the Group's internal policy
- > Seek to take action in order to improve the working conditions of the teams, when acting as a manager
- > Report any activity that could imply a threat to the physical security of an employee or an external person doing business in the BNP Paribas Group's premises

6 Group protection

All employees have an obligation to protect and uphold the long-term viability of the BNP Paribas Group's business. The Group is expected to maintain its solid long term oriented management so it must continuously reinforce its stability, in the interests of the Group itself, of its shareholders and of the wider economy.

BUILDING AND PROTECTING THE BNP PARIBAS GROUP'S LONG-TERM VALUE

In order to build and protect the BNP Paribas Group's long-term value, it is essential to:

- > Participate in the protection of all Group assets including physical, technological, intellectual property and financial assets, the Company's name, brand and customer relationships
- > Prevent the misuse of these assets and resources for any other person's benefit, whether voluntary or through negligence
- > Always put long-term success over short-term gain to protect the brand and reputation of the BNP Paribas Group

COMMUNICATING RESPONSIBLY

There is a strong duty to communicate responsibly at all times, which means to:

- > Never put the bank's reputation at risk when speaking externally on any subject relating to the BNP Paribas Group
- > Comply with the Group's internal policy regarding the use of digital tools and social media

PROTECTING THE GROUP'S INFORMATION

It is critically important to protect the Group's information in all circumstances. The BNP Paribas Group is constantly entrusted with a vast amount of sensitive data which is one of its strategic assets, critical to its activities. The use of new data management technologies (e.g. Cloud, big data) and digital applications (social networks, email...) creates new sources of risks such as cyber security risks. The Group must be prepared to face the threat of these risks and attempts to harm the integrity of its data.

In this context, the Group relies on every employee to:

- > Adhere to the highest standards of information security
- > Protect and secure all confidential data and information pertaining to customers, employees, the bank, and other people and organizations
- > Ensure careful and appropriate use, access, storage, disclosure, transfer and deletion of these data at all times, including online data



? What should I do if a reporter calls me asking about the activities of the BNP Paribas Group?

All enquiries from the media should be directed without comment to Media Relations. In addition, you need approval from your manager and Media Relations before making any media appearances or external speeches as a BNP Paribas Group employee.

ACTING ETHICALLY WITH EXTERNAL PARTIES

Protecting the Group includes acting ethically with external parties, which means we:

- > Seek mutually beneficially relationships with the Group's suppliers to drive ethical behaviour through the supply chain and prevent risks related to mutual dependencies
- > Comply with the Group's internal controls, policies and procedures with regards to suppliers

? I noticed in the press that a manager of one of our suppliers has been involved in a corruption scandal. What should I do?

You should immediately raise this matter with your manager and the Procurement team. The Group's suppliers are held to the same ethical standards as the Group itself. It is likely that Procurement is already aware of the matter and reviewing the supplier, but it is better to err on the side of caution in the interests of the Group.

TAKING RISKS RESPONSIBLY WHILE ENSURING CLOSE RISK CONTROL

Risk awareness, risk management and risk control are pivotal in order to protect the Group. Dedicated committees ensure the best decisions are taken collectively (e.g. Credit Committee, New Activity Committee, etc.), with formal escalation processes in place. Everyone has an important role to act responsibly in these matters in their areas of responsibility. There is therefore a duty to:

- > Act in line with the BNP Paribas Group's best practices in compliance, prevention of fraud, and risk management and internal controls in general
- > Make every effort to anticipate the risks that might arise in daily activities
- > Be committed to control risk rigorously in order to protect customers and the financial system as a whole
- > Understand and follow a rigorous and concerted process based on a strong, shared risk culture which pervades all levels of the Group before making any decisions or commitments
- > Actively monitor and balance risks and outcomes as they materialize

? I disagree with a colleague about whether an unusual transaction with high-risk exposure requires escalation. What should I do?

The bank has standards and processes to help you identify and act upon transactions requiring closer scrutiny. Unusual or high-risk transactions are referred to established and experienced approvals committees which help to protect the firm and its clients. The Group values risk mindfulness and when in doubt you should always speak up. If you believe that the transaction requires escalation then you should raise the matter with your Manager and the relevant control functions. Raising the concern will mean that the transaction is further reviewed, which will protect the Group and all involved.

BEING RESPONSIBLE WHEN LEAVING THE BNP PARIBAS GROUP

Even when leaving the BNP Paribas Group, each employee still has a responsibility towards the Group and its customers which is why they should:

- > Never transfer information (e.g. data, files, documents) which belongs to the BNP Paribas Group to an external location when leaving the Group
- > Never keep documents belonging to the BNP Paribas Group after leaving the Group
- > Comply with the Group's internal policy and the personal obligation not to create unfair competition, if applicable

7 Involvement with society

The BNP Paribas Group aspires to be a contributor to responsible and sustainable global development. The ambition of the bank is to have a positive impact on its stakeholders and on the wider society. This section of the rules of conduct details the rules and requirements for employees of the BNP Paribas Group to uphold these aspirations.

PROMOTING RESPECT FOR HUMAN RIGHTS



? I have been approached by one of my clients, a commodity trader, who wants to export cotton from one of the top ten producers in the world. In 2010, this country was accused by NGOs and international organizations (e.g. Unicef, ILO, and ECCHR) of using forced and child labour during the cotton harvest season. What should I do?

The BNP Paribas Group is highly vigilant when it comes to managing the risk of being complicit in violations of Human Rights. In this particular case, the Group has already decided to suspend any type of financing of cotton from this country on the grounds that the country in question used forced labour during the picking season. This commitment contributed to accelerating the elaboration of the Group's Statement on Human Rights, published in 2012. This transaction should therefore be refused.

The BNP Paribas Group is committed to ensuring the respect of Human Rights within its sphere of influence, meaning among employees, suppliers, customers and the communities in which the Group operates. The Group especially does not want to be complicit in any potential violation of Human Rights through its financing and investment activities. The employees of the BNP Paribas Group are expected to support the respect of Human Rights and especially to:

- > Always consider the direct and indirect impacts of their activities on Human Rights around the world
- > Ensure compliance with the criteria relating to the impact on Human Rights of the company/project when operating in sectors covered by a CSR financing and investment policy*

PROTECTING THE ENVIRONMENT AND COMBATING CLIMATE CHANGE

The BNP Paribas Group strives to limit any environmental impact indirectly resulting from its banking activities or directly from its own operations. In that context, the Group considers combating climate change a priority and is committed to financing the transition to a low-carbon economy. Employees of the BNP Paribas Group have a strong responsibility to:

- > Always consider the direct and indirect impacts on the environment that arise from their activities around the world
- > Ensure compliance with the criteria relating to the environmental impact of the company/project when operating in a sector covered by a CSR financing and investment policy*
- > Actively contribute to achieving the objectives set by the Group to reduce the impacts of its day-to-day operations on the environment

ACTING RESPONSIBLY IN PUBLIC REPRESENTATION

The BNP Paribas Group intends to make a constructive contribution to the democratic process by providing public decisions-makers, in strict compliance with legal and ethical rules, with information to assist their discussions and to help them to take fair and informed decisions.

There is therefore a duty to act responsibly with respect to public authorities.



? I have been approached by a palm oil producer to finance its new expansion plan in Africa. The company has very extensive CSR communication but is accused of deforestation by a renowned international NGO. What should I do?

The palm oil sector is covered by a dedicated financing and investment CSR policy. You should therefore liaise with your local CSR team to check how to assess this company from a CSR perspective. The Group's palm oil sector policy is very stringent concerning the issue of deforestation. Palm oil producing companies cannot be financed if they are developing new oil palm plantations on sensitive areas like UNESCO World Heritage Sites, IUCN Category I-IV areas or peat lands and must have a policy in place to conduct a High Conservation Value assessment. This information, and all other criteria in the sector policy, must be verified before doing any business with this company.

C The Code of Conduct in practice

The Code of Conduct provides clarity for all employees regarding what is expected from them while exercising their roles and responsibilities.

The annual performance appraisal will enable managers to reinforce the importance of “living the Values” and highlight appropriate behaviours as described within the Code of Conduct to their team members.

These behaviours will also contribute to generating more clarity and transparency for employees around the “general ethical standards” expected by the BNP Paribas Group and by the relevant regulatory authorities.

Training (e-learning), developed and distributed to all staff, assists employees to fulfill their roles and responsibilities with regard to the priorities set out in the Code of Conduct.

All Group employees have a duty to:

- > Know and comply with all of the rules of conduct contained in the Code
- > Take all required and identified training to understand their responsibilities
- > Operate and conduct business in line with the Code in all aspects of their role
- > Be alert and challenge others if they are not operating in the spirit of the Code
- > Use the Group whistleblowing procedure to speak up and raise their concerns where necessary

The BNP Paribas Group is committed to recognising and rewarding people who embody its values and are exemplary in terms of living by the Code of Conduct. Equally, the Group will not tolerate breaches of the Code of Conduct. Appropriate measures will be taken against employees who fail to live up to the Code of Conduct in line with local laws, local regulations and the Group HR policy⁶.

⁶ Including the document ‘Reglement Interieur de BNP Paribas SA’ in France

Making decisions

While the rules of conduct can help guide every decision, there is not a relevant rule for every situation. Ultimately, making the right decision must rely on personal judgement and on the Group's Values. If what you intend to do is not consistent with these, you should ask yourself why you should do it.

BEFORE YOU ACT, ASK YOURSELF:



IF THE ANSWER TO ANY OF THESE QUESTIONS IS NO, STOP AND SPEAK UP!

**IF YOU HAVE ANY CONCERNS OR DOUBTS, SEEK GUIDANCE FROM AN APPROPRIATE AUTHORITY:
YOUR LINE MANAGER, SENIOR MANAGER, LEGAL OR COMPLIANCE**

How does the Code fit in with local and international laws?

All employees are expected to be familiar with international standards, and comply with the applicable laws, rules and regulations in all areas, and with the professional standards that apply to their professional activities.

In order to ensure the stability of the financial system, the industry we work in is highly regulated. Being aware of, and complying with, the laws and regulations under which the Group operates is not just a critical part of our business but fundamental to who we are. We aim to comply not just with the letter of the law but also with the spirit and intent of the law. Respecting the law is a must. Engaging in unfair, deceptive and abusive acts or practices would negatively affect customer confidence, put the Group's reputation at risk and could result in regulator criticism, legal action, fines, penalties and other negative repercussions for the Group.

The BNP Paribas Group is committed to always cooperating with the relevant regulatory bodies.

If you ever have a question about the laws and regulations that apply to your activity or about what response to provide to a regulatory body, contact your relevant compliance, legal or tax officer for help and advice.

The Code of Conduct articulates what is expected from each one of us; i.e. best in class behaviours, within the framework of the laws and regulations in force in the markets in which the Group does business. In the potential event of a conflict between national legislation and the rules contained in the Code, the BNP Paribas Group will comply with applicable local laws while trying to identify appropriate ways to implement and respect the rules in the Code. When a situation requires interpretation by the Group's employees, it must be done in a way that is consistent with the strictest ethical criteria applicable.

Speaking up and raising concerns

The BNP Paribas Group is highly attentive to the concerns of clients, suppliers, employees, shareholders and the wider community. The Group is committed to listening, understanding and seeking to address concerns raised by our stakeholders in a fair and effective manner. Each category of external stakeholders has a dedicated contact point within the BNP Paribas Group through which they can express their concerns.

As an employee, you should report any concerns or possible violations of the rules of the Code. If you see, or have a legitimate reason to suspect, a breach of the Code of Conduct, you should:

1. Consult with and report to your line manager (your day-to-day supervisor)
2. If you are uncomfortable speaking to your line manager, you should speak to a more senior manager in your business area

3. If these actions are not possible, then you should raise your concerns, as described in the Group's whistleblowing procedure, by contacting your local Compliance Officer.
4. If you consider it necessary, you can refer the issue to the Head of Professional Ethics.

Whistleblowing is an employee right, and no employee will be punished, dismissed or subjected to discriminatory treatment, directly or indirectly, for whistleblowing in line with best practice and in good faith.

Additional responsibilities for managers

Managers have a duty to lead by example and hold themselves to the highest standards of conduct, while ensuring that those standards are clear and transparent to those who report to them. They should:

- > Create an atmosphere that encourages open, honest and respectful communication
- > Communicate the letter and spirit of the Code to their reports and other colleagues

- > Uphold the Group's procedures to incorporate alignment and adherence to the Code as a factor in performance management
- > Actively understand the risks inherent in their colleagues' work and take a role in assuring the quality of the work of their reports
- > Set an example for honest and respectful communication with customers, colleagues and other

people related to the BNP Paribas Group, while respecting applicable confidentiality rules

- > Respond effectively and quickly to any concerns that colleagues raise and take prompt action when any mistakes or misconduct are uncovered

ADDENDUM E

CODE OF CONDUCT: FIGHTING CORRUPTION

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A Basic anti-corruption principles

For BNP Paribas, corruption and influence peddling are absolutely unacceptable, whatever the circumstances.

BNP Paribas has set up measures to prevent and fight corruption, consisting of:

- A programme designed to prevent bribery and influence peddling,
- Procedures and controls which are reviewed on a regular basis,
- This Code of Conduct on fighting corruption integrated into the Group Code of Conduct
- Training
- An internal 'whistleblowing' system

BNP Paribas and its employees must have zero tolerance for corruption and influence peddling, and will pro-actively fight them. Such corrupt practices including bribery, and influence peddling are entirely prohibited and must be promptly reported. This applies not only to corrupt acts involving BNP Paribas employees – whether the intention is to obtain personal advantages for the Group – but also to any corrupt practice identified on the part of our customers or counterparties, of which we might become aware when carrying out a banking or financial operation.

Prevention and detection of corrupt practices including bribery and influence peddling, and more broadly fighting corruption, therefore constitute essential elements in the BNP Paribas Group's Ethical Conduct and Compliance set-up and its internal controls in the wider sense. Whatever the circumstances and the interests at stake, preventing and detecting corruption concern all employees. Not only do they have an obligation not take any part in corrupt practices, they are bound by their professional duty to do everything within their power to help prevent bribery and influence peddling, and to put a stop to it if they become aware of it.

Taking part in corrupt practices constitutes a professional misconduct. Any employee who acts in a manner contrary to this Code of Conduct faces disciplinary action.

BNP Paribas complies with 'Sapin II' Law of 9 December 2016 relating to transparency, anti-corruption and the modernisation of the economy, as well as with the UK Bribery Act, the US Foreign Corrupt Practices Act (FCPA) and other applicable laws.

Behaviours to be avoided, as likely to be construed as bribery or influence peddling

Employees must not, directly or indirectly, give, promise, offer, ask for or accept from any individual or third party, any advantage (pecuniary or otherwise) in return for an actual or alleged favour or influence. Any attempt to perpetrate such acts is likewise strictly forbidden. The Bank's products and services must not be offered or provided under such circumstances.

All acts involving bribery or influence peddling are strictly forbidden, and notably in connection with:

- any public servant or any private person,
- customers, partners or counterparties of the Bank,
- a political party,
- lobbying organisations or other pressure groups, trade unions, sports federations, foundations, charitable bodies, etc.,
- other employees, or one's manager,
- their friends or family.

As a financial institution, the Bank may also be exposed to acts of bribery or influence peddling involving a third party. Employees must not put the Bank in a position to be involved in any transaction where there is a risk of corruption and/or of money laundering.

This Code of Conduct lists and illustrates prohibited behaviours that are likely to be construed as bribery or influence peddling.

Employees must be sure to apply the Group procedures in all circumstances, in particular those relating to financial security.

Illustrations of prohibited behaviours that are likely to be construed as bribery or influence peddling

Any employee who has reasonable grounds to believe that a transaction or planned transaction of which s/he has direct or indirect knowledge, or a request or order s/he has received, does not comply with one or more of the principles set out in this Code of Conduct must report this as soon as possible to his/her line manager.

Any employee may also alert Compliance directly, using the Group's 'Whistleblowing' set-up, described in the Group Whistleblowing procedure.

1 GIFTS AND INVITATIONS

Complying with the Group's internal policy on gifts and invitations is mandatory. Moreover, employees must not accept money or any other form of payment as a gift.

? A good client asks for my home address so that 'a little end-of-year surprise' can be delivered to my door.

Can I give him/her my address?

No. You should refuse to do so and you should inform your line manager of the client's request.

? One of my long-standing clients has just offered me tickets for a show that is sold out.

May I accept them?

You should refer to the Group Policy, which provides detailed criteria on which gifts can be accepted. If you have any doubts, ask your line manager or Compliance.

? A supplier offers me a promotional pen.

Can I accept it?

That depends. A generic pen with the supplier's logo is an advertising item of very modest value, so of course you can accept it. However, you must decline any offer of a luxury pen whose value exceeds that of a reasonably-priced gift. The correct practice is to inform your line manager that any such gift was offered and that you declined the offer, so that these facts can be recorded with Compliance.

? An elderly customer with whom I have an excellent relationship hands me an envelope.

What do I do?

You must refuse it. Any gift of money is forbidden. You should then tell your line manager that you have refused the gift and have Compliance record it.

? The end-of-year festivities are approaching. When I get home, I find a box containing a luxury watch, with the words 'From your favourite broker. Season's greetings!'

What should I do?

Even if you receive this watch at your home it is nevertheless clear that the gift is linked to your work. Return the gift politely, explaining to the sender that you cannot accept it.

2 FACILITATION AND OTHER CASH PAYMENTS

Employees are forbidden to give money in any amount whatsoever to public servants for the purpose of speeding up or smoothing the progress of administrative procedures or obtaining authorisations such as licences, permits, etc.

Whatever the circumstances, employees must neither accept nor give undocumented cash payments. Any transfer of money must be justified, approved and documented.

Moreover, employees are prohibited from making Bank assets available to any person without proper authorisation.

? My flight has just landed four hours behind schedule.

Dozens of passengers are queuing up to obtain the necessary entry visa and I'm now going to be late for a meeting with an important client.

An Immigration official drops a clear hint that handing over a few banknotes would shorten the waiting time.

What should I do?

You must decline this offer as it would put you in the position of committing an act of bribery.

? I'm going through a difficult period in my private life and one of my clients offers to lend me money. I'm tempted to accept, because we have a trusting relationship and I will of course repay him.

May I accept my client's kind offer?

Absolutely not. That would lead to a potential conflict of interest and may be regarded as an act of corruption. You must decline the offer and find another solution.

3 DATA CONFIDENTIALITY

Employees are prohibited from disclosing any information that belongs to the Bank, in return for advantages. Similarly, employees are forbidden under any circumstances to ask for confidential information regarding any project, transaction, competitor, third party, etc., with the intention of obtaining an advantage.

+
? A client requests information relating to the purchase orders or sales figures of another large client with whom the Bank does business. In return he offers to increase the amount of business he conducts through the Bank.

How should I reply to him?

It is strictly forbidden to reveal to any person outside the Bank confidential information relating to your clients or counterparts.

? I haven't quite reached my professional objectives and I'm worried about my bonus. I wonder whether I should call someone I know who works at a Ministry, as a tender process has just been launched and my biggest client is hoping to win it. Obtaining some inside information could enable my client to obtain the contract

and, as a mark of gratitude, the client might send some extra business my way.

May I call that person at the Ministry?

No. It is strictly forbidden to try to obtain confidential information with a view to obtaining an advantage.

4 DONATIONS TO NON-PROFIT ORGANISATIONS¹ AND FINANCING OF POLITICAL PARTIES

Employees are prohibited from making donations to non-profit organisations with a view to obtaining undue advantages either for the Bank or for themselves. Similarly, they must not grant any advantage to third parties, such as agents, consultants, etc., working for these organisations. The same precautions apply with respect to political parties.

If in doubt, employees should seek advice from their line manager.

? I receive a phone call from a client of mine, who is delighted to announce that he has won an important contract in Malaysia. He wants to know how he can send a 'gift' to a local non-profit there. In fact, he has been encouraged to make this gift by a representative of the State-owned company that awarded the contract. I quickly discover that this non-profit belongs to the

managing director of the State company in question.

What should I do?

You must not carry out this transaction for your client as this 'gift' might be regarded as bribery.

You must refer the matter to your line manager or Compliance.

? Elections are approaching. The mayor of my local town, who is a client of the Bank and helped me to settle in when I first arrived, contacts me and asks me to 'return the favour' by contributing to his political campaign.

What should I do?

You must refuse the mayor's request. Doing as he asks could expose you to bribery and corruption.

¹ This also includes charitable organisations, foundations, federations, associations, etc. However, these provisions do not apply to decisions made under the Corporate Social Responsibility (CSR) policy of the Bank.

5 LOBBYING AND SPONSORSHIP

Employees must not involve BNP Paribas or its assets in any lobbying or sponsorship activities, unless authorised by the Bank in light of their position. If any employee engages in such activities on a personal basis, s/he must ensure that no conflicts of interest arise. If in any doubt, employees must seek the advice of their line manager.

+
? May I invite a client to an international event sponsored by BNP Paribas even if the amount exceeds the 'reasonable' threshold and there is practically no business aspect to the event?

A large number of clients are invited to this kind of event in order to promote the company's brand and image. You may therefore invite your client. However, Compliance's prior approval is required before offering clients perks, such as free accommodation and travel expenses.

6 CONFLICTS OF INTEREST AND CORRUPT PRACTICES INVOLVING COUNTERPARTIES SUCH AS INTERMEDIARIES, AGENTS, SUPPLIERS, SUB-CONTRACTORS AND JOINT-VENTURE PARTNERS

Employees must follow the rules laid down by the Group with regard to the prevention and management of conflicts of interest.

- Employees must not enter into business relations with counterparties who have not been approved by the Bank. Entering into business relationships with an intermediary on the basis of a personal relationship may expose the employee to conflicts of interest or situations involving corrupt practices.
- Remuneration of Bank's counterparties and intermediaries must be consistent with the services rendered. Employees must not grant them any improper rates, commissions or undue advantages.
- A sub-contract or other types of benefits should never be allocated to an individual or entity that has direct links with those who have awarded the main supplier contract.
- Employees should not enter into negotiations with a local company which is controlled, whether directly or indirectly, by an official or public servant, or any individual having close links with such officials.
- Employees must only use the Bank's standard contract templates.
- Employees must ensure that a counterparty applies anti-corruption policies similar to BNP Paribas' and ensure that audit and exit clauses are added into the partnership agreement.
- Some public procurement contracts in certain foreign countries can only be accessed through agents who are familiar with local markets or intermediaries who are actually appointed by the authorities of these countries. Employees must not pay any commission, expenses or royalties collected by these intermediaries if such funds have to pass through 1) an account domiciled in a country other than that in which the procurement entity is incorporated or resident or in which the contract is executed; or 2) through an account held in the name of a third company or opened in a tax haven or a high banking secrecy country. Employees must not make cash remittances and must verify all cash payments as well as the purpose of all these transfers.

Employees must not be involved in financial flows relating to operations where certain local companies that enjoy a quasi-monopoly in their business sector attempt to force foreign investors to do business with certain local sub-contractors or intermediaries.

Similarly, employees must not be involved in financial flows relating to operations where the margins earned by the intermediary change within a short period of time.

Moreover, they must not be involved in flows relating to operations where the price of goods or services is abnormally higher than the market price, while the role of the intermediary is unclear or without any significant added value.



? I'm in charge of training programmes and at the moment I'm the one who selects the vendors that provide the training. My partner runs a company which specialises in training and has made an offer to BNP Paribas.

Is that allowed?

Your partner is allowed to submit a proposal to BNP Paribas. In order to avoid any possibility of conflict of interest or practices that might be construed as corruption, you must report your relationship to your line manager and to the Procurement department. Your partner's proposal will be reviewed in line with official Procurement procedures. You must not take part in this process.

? For several months now, I've been in charge of the Bank's relationship with a number of suppliers. Following a call for tender I chose a company called Traiteurs & Co to look after the catering for an event with customers. I now need to find a caterer for my daughter's wedding and Traiteurs & Co have offered me a sizeable discount.

What should I do?

You need to make a clear distinction between your private and professional interests in order to avoid any situation leading to a conflict of interest or practices that could be deemed corrupt. Your relationship with 'Traiteurs & Co' began in a Bank-related context, so you should not use this same caterer for a private event.

? I've read in the newspapers that the CEO of one of our suppliers has been involved in a corruption case.

What should I do?

You must immediately inform your line manager and the Procurement department. Suppliers are expected to follow the same ethical principles as BNP Paribas. The Procurement department is probably already aware of the problem and is making an assessment of the supplier, but it is better to err on the side of caution in the interests of the Group.

Given their status and influence, Politically Exposed Persons (PEPs), whether nationals or foreigners, public servants (and their entourage) and civil servants vested with specific authority present particularly high levels of risk. The same goes for political parties, trade unions and professional bodies, sports federations and charitable or cultural foundations. Throughout the entire period of relationship, employees must therefore exercise an appropriate level of vigilance and apply the controls laid down as part of the Group's Financial Security procedures.

Employees must not grant a loan, offer products or services or put an end to any legal proceedings in return for an undue advantage. Any commercial gestures, including those made in return for recommending new clients, must be in accordance with Bank policies or be approved by the line manager.



? One of my private banking client, a high-net-worth individual, is also a Politically Exposed Person. I've never actually met this client, as he's always represented by his accountant. One day I receive a request to pay an invoice for €50,000, as reimbursement for a loan on a private jet. I wasn't aware of this asset. I can't get hold of the accountant. While trying to obtain more information, I discovered that the jet belongs to a company registered in the Cayman Islands.

What should I do?

You must refer the matter to your line manager or Compliance without delay.

? I've noticed that a civil servant who is close to a minister in a country where the Group does business has just received a large sum of money on his account. He explained the purpose of the transaction, but I still have some doubts.

What should I do?

You should report the transaction to your line manager or Compliance so as to ensure that the documents provided are sufficiently convincing. If they are not, a Suspicious Transaction Report will have to be drawn up and sent to the appropriate authority.

? This morning one of my customers asked me to accept some cash deposits, without providing explanations as to where the money came from. He also asked for his credit limit to be raised in line with the new deposits.

What steps should I take?

You should refuse the transaction and inform your contact at Compliance.

? I know that the local Town Planning is in the process of being revised, and I see that atypical payments are being made to the account of a customer of the Bank who is a local elected official.

What should I do?

There is a risk of influence peddling, so you should make your Compliance representative aware of these payments.

? The person who's buying my car second-hand knows that I work for BNP Paribas. He has asked me to help him finance the purchase. In return, he's offering to pay a higher price for the car.

What should I do?

You must not put yourself in a situation of conflict of interest or that could be construed as corruption. Therefore, you should not offer any financing to this person yourself. Instead, you must send him to the Bank branch nearest to his home. If that is the branch where you work, you will need to make your manager aware of the situation.

? One of my customers is a civil servant vested with authority. I see that from time to time payments exceeding several months' worth of salary are made to his account, from friends and family or third parties whose also have accounts opened with the Bank. These transfers are usually followed by outgoing transactions, for almost identical amounts, to companies belonging to him. He has power of attorney on the accounts of all his family and friends. Even though he's a civil servant, I wonder if I shouldn't talk to my line manager.

What should I do?

You should refer the matter to your line manager or to Compliance without delay.

? I'm a Corporate Account Manager in a country where the economic situation is not good. A client of mine told me that his company had cash flow problems. Then he stopped making the repayments on his loan. We were planning to conclude a settlement agreement, when I learned from another client that the CEO of this company is now on the run. Given the instability in the region and my customer's financial difficulties, I'm planning to ask for a write-off.

Can I do this without incurring any risk?

No, you need to launch a recovery process. A write-off, involving an effective claims waiver, benefits the debtor – your client – and so could be seen as an undue advantage granted by the Bank.

? Over a period of three months I've seen large amounts appearing on the account of one of my clients, coming from a company based in country A. The transfer description mentions 'Consultancy fees', or 'Miscellaneous'.

My client systematically asks me to transfer the funds received to another account, in the name of one of his companies in country B, which is also in my portfolio. I see that the payments are then subsequently transferred to a third company. Having made some enquiries, I've found out that this company is close to the State.

What should I do?

You should refer the matter to your line manager or Compliance.



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The image features a large, stylized graphic on the left side, consisting of a dark orange trapezoidal shape on the left and a lighter orange trapezoidal shape on the right, both slanted towards the right. The background is white.

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