BNP PARIBAS

Summary of BNP Paribas Conflict of Interest Policy and Framework

(published on April 2025)

The BNP Paribas Group promotes ethical business conduct, based on a relationship of trust with its clients, counterparties, suppliers, as well as regulatory and supervisory authorities.

In accordance with this commitment emphasized in its Code of Conduct, and complying with European and international regulations, the BNP Paribas Group has issued a global policy for managing conflicts of interest.

This policy aims to identify, prevent and manage conflicts of interest, primarily protecting the interests of its clients. It applies to all territories, activities and employees of the BNP Paribas Group.

The global policy on the management of conflicts of interest is supplemented by operational procedures specific to certain types of conflicts of interest.

Definition of conflicts of interest

A conflict of interest is a situation in which a person has the ability to give precedence to one interest over other interests that he or she has a duty to protect.

In the context of the Group's activities, the interests likely to conflict are mainly those of:

- one or more clients;
- BNP Paribas, or a Group entity;
- employees or members of the Group's executive management and supervisory bodies;
- counterparties or suppliers.

Conflicts of interest may be related to one or more transactions, or they may not have a transactional origin, as is the case for conflicts of interest arising from the private activities of employees.

Conflicts of interest can be permanent, when they are inherent to an activity, or temporary.

Risks generated by Conflicts of Interest

The identification, prevention and management of conflicts of interest are intended to limit the risks incurred in the event of the occurrence of a conflict of interest situation. These main risks include:

- non-compliance with regulations;
- corruption;
- insider trading and market manipulation;
- clients' complaints or remedies;
- fraud;
- related reputational consequences.

Identification and prevention of Conflicts of Interest

The BNP Paribas Group has implemented a framework for detecting potential conflicts of interest.

Each activity then deploys frameworks to prevent and mitigate potential conflicts of interest, based on four types of measures:

- Independent management of activities: implementation of information barriers with the aim of separating activities, teams and segregation of tasks, and limiting access to certain information;
- Conduct rules governing the risk of conflicts of interest related to the private interests of employees or members of the Group's executive management and supervisory bodies;
- Tools to detect and manage transactional and non-transactional conflicts of interest with dedicated applications;
- Awareness and training programmes aimed at increasing employees' understanding of conflicts of interest and the related framework.

This document is not intended to establish any new rights or obligations for BNP Paribas towards third parties that did not exist prior to its publication and is not contractual provision between BNP Paribas and its clients.

Prevention and awareness measures may be insufficient to eliminate any risk of conflicts of interest. Conflicts of interest may be identified in the normal course of the Group's business. This identification can come from an employee, a tool for detecting conflicts of interest, a program of interest declarations, an internal governance body such as the committee dedicated to new products, a client complaint, an ethics alert, etc.

Regardless of the identification channel, the teams in charge of the activity exposed to a conflict have to manage it in accordance with the Group's framework.

Management of Conflicts of Interest

In the event of a conflict of interest, the responsible teams should manage it to protect the interests concerned, in particular the priority interests of the Group's clients.

When allowed by regulation, or when the Group finds that the measures in place are not sufficient to mitigate the risk of harming the interests of a client or prospect, it informs the latter of the general nature or source of the conflict of interest so that he/she can make an informed decision. The operation can only be carried out with the explicit agreement of the client or prospect.

When the conflict does not provide an appropriate means of resolution, the Group may also refuse a conflict of interest situation, by declining a transaction or a mandate, for example.

The Group's conflict of interest measures apply, for example, in the following situations:

- product design;
- provision of financial research or investment recommendations;
- implementation of information barriers;
- execution of client orders;
- employee compensation;
- private interests and private mandates of employees;
- gifts and invitations;
- personal transactions of employees.

Certain conflicts of interest may be subject to recording, such as those related to inducements when providing non-independent investment advice, or those resulting from the private interests or mandates of employees, or conflicts of a transactional nature.

Finally, the Group has implemented control frameworks to ensure that its conflict of interest framework is effectively applied.