



Summary of BNP Paribas' Market Integrity framework (published on December 3, 2024)

BNP Paribas' Market Integrity framework is based on several pillars:

- Governance
- Policies and procedures,
- Controls
- Training.

BNP Paribas' Global Policy on Protecting Market Integrity framework:

- applies to all BNP Paribas Entities and Persons concerned. It therefore applies to all of the Bank's activities worldwide for controlling operational and regulatory risks associated therewith, as well as reputational issues;
- deals with preventing, detecting and managing conflicts of interest related to market activities vis-à-vis clients, employees and the BNP Paribas Group;
- also deals with specific regulations on Market Abuse dispositions and sets out the Group's regulatory requirements;
- deals with the prevention, detection and reporting of potential market abuse through an internal control framework, including the establishment of information barriers;
- defines the type of requests where the Market Integrity Domain must be involved in the decision according to the principle of double checking applies;
- is the reference for the Market Integrity Domain.

The Policy deals especially, but not exclusively, the following regulations:

- Market abuse,
- MiFID II (Markets in Financial Instruments Directives) requirements related to market integrity,
- conflicts of interest,
- Foreign exchange rules (FX Global Code),
- Rules of transparency (crossing thresholds) and short-selling,
- Dodd-Franck Act,
- Swap Dealer Regulation,
- Regulation relating to post-trade reporting obligations.

The key missions of the Global Policy on Protecting Market Integrity are:

- **Preventing, detecting and reporting market abuse:** the BNP Paribas Group has implemented Policies on the Management of Inside Information (MNPI), Market sounding, Contribution to Benchmarks, administration and use of reference index, data recording and retention and follows the best practices and recommendations of the National Competent Authorities. The Group has also set up an internal process to determine if information is an inside information or not, and to decide when this information will be disclosed to public. BNP Paribas' key actions to protect the market integrity include measures to prevent, detect, report market abuses, in particular the improper dissemination or misuse of Material Non-Public Information (MNPI), price manipulation and the disclosure of false information.



- **Preventing, identifying, detecting and managing conflicts of interest related to market:** BNP Paribas has set up an organization to manage transactional conflicts of interest by implementing permanent provisions to ensure or contribute to the prevention, identification, detection or appropriate management of situations of conflicts of interest related to market activities. BNP Paribas has also defined a framework to check the robustness of the information barriers between the different activities and teams.
- **Ensure the proper functioning and transparency of markets:** avoid any interference that could alter the proper functioning of markets and prevent market manipulations.
- **Protecting clients' interests regarding market activities** by providing fair service to customers for market activities. Integrity, fairness, impartiality and the primacy of clients' interests are key features of the BNP Paribas' rules of Conduct. All BNP Paribas Persons concerned are required to comply with the Group's rules of Conduct, of which the management of conflict of interest situations is an important component.
- **Generating regulatory reports** by collecting data at different levels to give a true, accurate and precise picture of activity on market integrity topics.

The controls on market integrity issues have implemented to assess the efficiency of the Market Integrity framework and to put in place corrective action plans when improvements are necessary. These controls are related to all types of activities, transactions and sectors.

The Market Integrity training aims to ensure that the Group's employees understand the laws, regulations, Code of conduct, internal and external procedures applying to their respective areas in order to enable them to carry out their duties in an ethical and honest manner.

Employee awareness and training are essential elements to mitigate the risk of non-compliance linked to market abuses, prevention, market transparency detection rules and the management of conflicts of interest.

The whole Group's employees working in the markets or in related activities contribute to the effectiveness of the market integrity framework.

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Previous version 15 November 2021