



## Executive Summary of BNP Paribas's "Gifts and Invitations" Procedure (Published on June 28 2024)

The procedure for gifts and invitations is a key component of the corruption, conflicts of interests and reputation risks management enabling to regulate a usual day-to-day business practice. The rules and processes defined in this procedure apply to all BNP Paribas employees, regardless of their seniority or hierarchical status<sup>1</sup>. They regulate all gifts and invitations, whether offered or received.

Reasonable gifts and invitations are a common business practice when they are offered or accepted by courtesy or in a commercial context.

Gifts and invitations may entail or conceal conflicts of interests risks or even corruption and influence peddling. That is the case if they induce an individual to engage or not in an action in breach of his legal, contractual, or professional obligations.

### ▪ **Definitions**

A gift is a present, branded or not, offered or received, in a dematerialized or tangible format. It may also be an advantage, a grant or a reward.

An invitation is (i) an event the main purpose of which is to discuss or do business, and/or to promote the image of the inviting party company, (ii) that the inviting party attends, together with his/her guests and (iii) the cost of which is born, even partially, by the inviting party. The guest can be either a BNP Paribas employee, or a third party, depending on the circumstances.

An invitation, in the absence of the inviting person/entity, is regarded as a gift.

### ▪ **Risk management for gifts and invitations**

Employees, Management and/or Compliance must identify and prevent situations at risk in accordance with the guiding principles defined in the procedure. These principles are as follows:

- the gift or invitation, offered or received, must be legitimate, proportionate, and justifiable, taking into account the value of the concerned gift or invitation, its purpose, its context, its potential impact, the status, the activity, and the seniority of the invited person or receiver or of the inviting/offering party;
- it is prohibited to offer, receive, promise or solicit anything that would be considered as creating an obligation or counterparty or placing undue influence on someone;
- the employee shall not compromise his own integrity or the reputation of BNP Paribas or any of its entities.

### ▪ **General principles for gifts and invitations**

Two thresholds for declaration and approval by the Manager and by Compliance identical for gifts and invitations have been defined in the procedure, based upon the level of risk, enabling an employee to accept a gift or invitation without the need for a prior approval when their value is below these thresholds.

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<sup>1</sup>An employee is a natural person working within the Group, on a permanent or temporary basis, in France within the framework of an employment contract, a temporary assignment, a secondment or abroad under equivalent conditions.



When a Politically Exposed Person (PEP) is involved, or in the presence of a third party with no KY, specific reinforced rules have been defined: (i) declaration and systematic prior approval by the Manager and by Compliance from the first euro for PEPs and (ii) obligation to proceed with reinforced due diligence in the presence of a third party that does not maintain relations with BNP Paribas.

Any gift or invitation below the declaration threshold does not need to be recorded in a tool or register.

Invitations of clients to meals shall be systematically recorded in a dedicated expenses tool enabling keeping records of all these invitations, whatever their amount.

Any refusal of an invitation or gift must be recorded in a register, whether there is a suspicion of corruption or not, including their return, or in case a return is not possible, their donation to a not-for-profit organization, approved by the concerned entity.

Employees must report to their Management and to Compliance any situation that gives rise to a suspicion of corruption or that is not in compliance with the procedure.

- **Principles regarding prohibited gifts and invitations**

The procedure prohibits direct or indirect donations or subsidies to any form of political organization and lists situations where gifts and invitations are prohibited.

**End of the document**

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