

Introduction

As a global organisation with a presence in Australia, BNP Paribas is subject to the local regulatory framework, including the application of APRA's Prudential Standards CPS 511 Remuneration ('**CPS 511**') and the Financial Accountability Regime Act ('**FAR**'). One important element of these frameworks is to publish a Public Disclosure, which clearly outlines BNP Paribas' remuneration policy and guidelines.

Our approach to remuneration plays an important role in promoting BNP Paribas's culture. People are at the heart of BNP Paribas' strategic plan's priorities. Our remuneration framework and policy are based on the principles of transparency, equity, in particular gender equity, and equality of treatment. Our remuneration framework supports our core purpose by developing the potential of our staff and requires the commitment of all staff members to ensure our collective performance and the strengthening of our position as a global leader.

Risk management is a fundamental part of everyone's role at BNP Paribas. Employees understand that they are rewarded for their performance, including the identification and management of financial and non-financial risk, and that there are consequences for non-compliance with BNP Paribas's Code of Conduct.

In alignment with our remuneration transparency principles and the local regulatory requirements, our Group Compensation Report outlines our remuneration framework and governance, and is published on our global website:

[compensation-for-financial-year-2024-of-employees-whose-professional-activities-have-a-material-impact-on-the-groups-risk-profile](#)

In addition to the details outlined in our Group Compensation Report, our remuneration framework ensures that we comply with the CPS 511 requirements in relation to Highly Paid Material Risk Takers ('**HPMRT**') and ensures that our frameworks fully cover the Accountable Persons identified under FAR.

As part of the annual Compensation Review Process, senior management play an important role in upholding the requirements, and specifically the Local Territory Head (CEO) and the Senior Officer Outside of Australia ('**SOOA**') and Head office management in conjunction with Group Human Resources, will review the fixed compensation and variable remuneration proposals to ensure fairness, consistency within the overall principles and available budgets.

In line with our frameworks, and the requirements of the local regulatory environment, the SOOA has the capability of adjusting the performance-based components of remuneration downwards (including to zero), or upwards to ensure fairness, consistency and application of any required adjustments. Two types of controls, Permanent and Periodic, are in place to assure, among others, that the appropriate control body performs the review process consistently.

Our remuneration framework and governance ensure:

- The variable remuneration of an AP is compliant with section 25 of FAR, and HPMRT is compliant with CPS 511 with our deferral schemes, Flexible Deferred Bonus Scheme ('**FDBS**').

- An AP is obliged to comply with their accountability obligations under section 21 of FAR in relation to each of the responsibilities that cause them to be an AP.

Specific deferral schemes, recognising the four-year deferral period, have been developed for Australia, and ensure that the regulatory requirements are respected.