



**BNP PARIBAS**  
**FORTIS**

## **BNP Paribas Fortis Pillar 3 disclosures for the year 2016**

### **Context**

The purpose of Pillar 3 – market discipline, is to complement the minimum capital requirements (Pillar 1) and the supervisory review process (Pillar 2) with a set of disclosures completing the usual financial disclosures.

The Basel reform measures (known as Basel 3), will strengthen the ability of banks to withstand economic and financial shocks of all kinds by introducing a series of regulatory provisions. The content of this reform was transposed into European law in Directive 2013/36/EU (CRD 4) and Regulation (EU) No. 575/2013 of 26 June 2013 (CRR), which together constitute the corpus of texts known as “CRD IV”.

In application of article 13 of the CRR, BNP Paribas Fortis is considered as a “significant subsidiary”. Being part of the Group BNP Paribas, BNP Paribas Fortis is not subject to a full reporting concerning the Pillar 3 disclosures but can limit its disclosures to the ones required by specific articles of the CRR. These disclosures include as well quantitative and qualitative information on the capital structure and on the capital requirements as information on the remuneration policies. The information on the capital structure and on the capital requirements is published in the Annual report 2016 of BNP Paribas Fortis in the chapter ‘Risk Management and Capital adequacy’ (page 155-206) and in the Registration document of BNP Paribas in the appendix 5: Capital requirements of significant subsidiaries (page 399-400).

The Annual report 2016 of BNP Paribas Fortis is available under the following link:

[https://www.bnpparibasfortis.com/docs/default-source/key-documents-\(en---fr---nl\)/en/en16\\_ar\\_sec.pdf](https://www.bnpparibasfortis.com/docs/default-source/key-documents-(en---fr---nl)/en/en16_ar_sec.pdf)

The Registration document of BNP Paribas for the year 2016 is available under the following link:

<https://invest.bnpparibas.com/sites/default/files/documents/ddr2016gb.pdf>

In addition, some dedicated information relating to Pillar 3 of BNP Paribas Fortis at 31 December 2016 is disclosed below.



## Loans with forbearance measures

When a borrower is bordering on or in financial difficulties, they may receive a concession from the bank that would otherwise not have been granted had the borrower not met with financial difficulty. The concession may be:

- a change to the contract terms and conditions;
- partial or total refinancing of the debt.

The loan is then said to be "restructured". It must retain the status of "restructured" during a period of observation, known as a probationary period, for at least two years. The concept of restructuring is described in the accounting principles (note 1.d.4 to the consolidated financial statements).

The identification of restructured exposures and the removal of the "restructured" status are embedded in the credit decision process and performed at the appropriate delegation level. A system has been set up in order to identify automatically exposures that qualify for the removal of the "restructured" status so that these exposures can be submitted for decision.

Information on restructured loans is reported to the supervisory authority on a quarterly basis. The tables that follow show the gross value and impairment amounts of doubtful loans that have been restructured, as well as restructured loans subsequently reclassified as non-doubtful loans.

Restructured loans by asset class :

In millions of euros	Restructured loans at 31 December 2016					
	Gross amount	Provision	Net amount	Of which doubtful outstandings		
				Gross amount	Provision	Net amount
<b>Loans and advances</b>	<b>1 519</b>	<b>( 355)</b>	<b>1 164</b>	<b>793</b>	<b>( 332)</b>	<b>461</b>
Central governments and central banks	1	-	1	-	-	-
Corporates	1 072	( 305)	767	644	( 295)	349
Retail	446	( 50)	396	149	( 37)	112
<b>Off - balance sheet commitments</b>	<b>16</b>	<b>-</b>	<b>16</b>	<b>7</b>	<b>-</b>	<b>7</b>
<b>TOTAL</b>	<b>1 535</b>	<b>( 355)</b>	<b>1 180</b>	<b>800</b>	<b>( 332)</b>	<b>468</b>



Restructured loans by geographical region :

In millions of euros	Restructured loans at 31 December 2016					
	Gross amount	Provision	Net amount	Of which doubtful outstandings		
				Gross amount	Provision	Net amount
<b>Europe</b>	<b>1 141</b>	<b>( 254)</b>	<b>887</b>	<b>657</b>	<b>( 232)</b>	<b>425</b>
France	41	( 8)	33	23	( 6)	17
Italy	2	( 1)	1	1	-	1
Luxembourg	143	( 23)	120	71	( 22)	49
Belgium	379	( 110)	269	257	( 103)	154
Germany	270	( 15)	255	63	( 4)	59
Other European countries	306	( 97)	209	242	( 97)	145
<b>North America</b>	<b>98</b>	<b>( 73)</b>	<b>25</b>	<b>98</b>	<b>( 73)</b>	<b>25</b>
<b>Rest of the world</b>	<b>296</b>	<b>( 28)</b>	<b>268</b>	<b>45</b>	<b>( 27)</b>	<b>18</b>
Turkey	259	( 7)	252	12	( 7)	5
Other countries	37	( 21)	16	33	( 20)	13
<b>TOTAL</b>	<b>1 535</b>	<b>( 355)</b>	<b>1 180</b>	<b>800</b>	<b>( 332)</b>	<b>468</b>



## **Remuneration for financial year 2016 of employees whose professional activities have a material impact on the risk profile of BNP Paribas Fortis SA/NV**

In accordance with European banking regulations, BNP Paribas Fortis SA/NV (hereafter 'the Bank') applies supervisory provisions on remuneration as laid down in:

- European Directive CRD4<sup>1</sup> of 26 June 2013 and its transposition into Belgian law (the Belgian Banking law of 25 April 2014);
- the European Commission Delegated Regulation of 4 March 2014, on the identification criteria for employees whose professional activities have a material impact on the institution's risk profile ("Material Risk Takers" or "MRT"), on a consolidated basis, in all its branches and subsidiaries, including those outside the European Union;
- EBA guidelines on sound remuneration policies of 27 June 2016 as set out in the NBB position.

The Bank's compensation policy is thus compliant with all of these principles and aims to not encourage excessive risk-taking, to avoid incentives that may lead to conflicts of interest, and to not encourage or reward management activities that are prohibited.

Employees included in the Bank's MRT category in 2016 have been identified in accordance with the regulation in force and with a methodology comparable to 2015. These employees are subject to all the principles set out in the Group's compensation policy as detailed below.

In 2016 the remuneration policy was adapted following the circular NBB\_2016\_44 transposing the EBA guidelines on sound remuneration (EBA/GL/2015/22) into Belgian guidelines.

The number of employees identified as Material Risk takers (MRTs) at Bank level is detailed on p.13.

### **I. Governance**

The BNP Paribas Fortis' remuneration guidelines and remuneration policy are drawn up and proposed by Human Resources in association with the relevant businesses. They are presented to the Compliance, Risk and Finance Committee (CRIF) and the Risk Committee for advice, and then decided by General Management after presentation to the Remuneration Committee and approval by the Board of Directors.

#### **A. Compliance, Risk and Finance Committee (CRIF)**

The CRIF Committee includes the heads of these three departments (or representatives appointed by them), as well as the Head of HR.

The CRIF Committee is chaired by Mr. Filip Dierckx, Chief Operating Officer.

Remuneration policy for MRTs is presented to and discussed by the CRIF Committee, which then issues an opinion on:

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<sup>1</sup> Capital Requirements Directive



- the policy's compliance with current regulations and professional standards;
- its adequacy and consistency with the Bank's risk management policy;
- consistency between variable remuneration practices and the need to manage the bank's capital base.

This Committee met eight times with respect to the remuneration process for the year 2016.

#### **B. Risk Committee**

The Risk Committee is chaired by Mr. Dirk Boogmans.

In Order to promote sound remuneration practices and policies, the risk committee, without prejudice to the tasks of the remuneration committee examine whether the incentives provided by the remuneration system appropriately consider risk management, capital requirements and the liquidity position of BNP Paribas Fortis as well as the probability and the distribution over time of the profits.

The Risk Committee met two times to deliberate on the remuneration process for the year 2016.

#### **C. Remuneration Committee**

The Remuneration Committee is chaired by Mr. Herman Daems.

The committee provides a sound and independent judgement on the remuneration policies and reward practices and related incentives taking into account risk control, net equity needs and liquidity position and, more specifically, as follows:

- Advises the Board on the remuneration policy, particularly for employees whose activities have a material impact on the institution's risk profile;
- Prepares decisions of the board of directors on remuneration, taking into account the long term interest of shareholders, investors and other parties having an interest, as well as to the general interest;
- Audits the remuneration of the persons responsible for the independent control functions.

The Remuneration Committee met six times to deliberate on the remuneration process for the year 2016. More detailed information can be found in the Annual Report (section: Governing bodies).

#### **D. Permanent Control Committee (PCC)**

A dedicated Permanent Control Committee (PCC) is organised. The PCC is organised at the different levels within the Bank: at the level of the Executive Committee, at the level of business, depending on the employees reviewed.

The PCC is mandated to undertake an assessment of all MRTs, based on their contribution to the Bank's permanent control framework, their involvement with material risk and subsequent decisions, incidents that have occurred during the year and the corrective actions taken by the individual or as managers. The assessment can lead to an impact on variable remuneration.

The members of the PCC are the Head of Risk, Head of Compliance, Head of Legal and Head of HR (or their representatives).

The following employees are brought automatically at the PCC:



- Employees who have registered breaches (compliance and/or other) in our administrative system;
- Employees who didn't follow one or more mandatory compliance and / or risk trainings;
- MRTs for whom the supervisor indicates minor/moderate or significant findings with regard to compliance with policies & procedures, and in terms of sound risk management.

Further, the control functions, can add employees if deemed necessary. The PCC will discuss all files on an individual basis and take a decision on the score of the "Compliance & Risk" value.

### **E. Audit and controls**

The operating procedures implementing the Bank's remuneration policy are documented to provide an effective audit trail.

In addition, controls have been defined by Group Human Resources and implemented by the Bank's Human Resources in order to ensure the correct identification of the MRT employees and the correct application of all regulatory requirements applicable to this population (deferral rules, indexation, variable fixed ratio).

Moreover, the internal audit (Inspection Générale) performs an annual, independent ex post facto review of the remuneration process to ensure that it complies in actual fact with the guidelines and procedures stipulated in the Bank's remuneration policy.

The review performed in 2016 by the internal audit team concerning the 2015 process, concluded, that the guidelines and regulations had been correctly applied. A summary of this review was brought to the attention of the Remuneration Committee.

## **II. BNP Paribas Fortis remuneration guidelines and policy for MRTs**

### **A. Remuneration guidelines applicable to all employees of the Bank**

Remuneration for the Bank's employees comprises a fixed component, a collective system and a variable component.

#### **1. Fixed remuneration**

Fixed salary remunerates work performed, skills, level of involvement in assigned tasks and level of responsibility. It is set on the basis of local and professional market conditions and the principle of internal consistency within the BNP Paribas Group, and the Bank.

It comprises a fixed base salary, which remunerates the skills and level of responsibility required by the position, and where appropriate fixed pay supplements linked to the position's specific characteristics.

Individual increases are awarded based on the principles of:

- equitable treatment
- strict delegation rules
- a systematic double-check by line management and the HR department.

#### **2. Collective system**



Belgian legislation allows Belgian companies to ensure that employees can share in the profit of their group or company. The profit-sharing system was adopted by BNP Paribas Fortis in 2008.

Alongside profit sharing, BNP Paribas Fortis has introduced the provisions of the Collective Labour Agreement 90, as from performance year 2012.

### 3. Variable remuneration

Variable remuneration rewards employees for their performance during the year based on the achievement of quantitative and qualitative targets that are measured through observed performance and individual assessments with regard to the fixed objectives. It takes into account the local and/or professional market practices, the profits generated by the activity and the achievement of quantitative and qualitative targets, as well as contribution to risk management and respect of compliance rules. It does not constitute a right and is set in a discretionary manner each year in accordance with the remuneration policy for the year in question and the governance principles.

Variable remuneration is determined so as to avoid the introduction of incentives that could lead to conflicts of interest between employees and customers, or non-compliance with the rules of good conduct.

In addition, variable remuneration may also consist of a medium- or long-term retention plan, or any other suitable instrument aimed at motivating and building the loyalty of the Group's key executives and high potential employees, by giving them an interest in the growth of the value created.

The fixed salary must represent a sufficiently high proportion of the total remuneration to reward employees for their work, seniority level, expertise and professional experience without necessarily having to pay a variable remuneration component.

### 4. The annual remuneration review process

Remuneration adjustments are managed through an annual process across the Bank and via a centralized system that enables Management to obtain at any time updated proposals within the Bank, particularly for all MRTs, and to oversee the process until individual decisions are taken and announced, based on the economic climate, the institution's results and market conditions.

The decisions are made within the framework of the BNP Paribas Group delegations.

### 5. Other elements relating to the remuneration policy

An advance guarantee of payment of variable remuneration is prohibited. However, in the context of hiring, especially to attract a candidate with a key skill, the allocation of variable remuneration may be guaranteed on an exceptional basis the first year; this award shall in any event be subject to the same conditions as variable remuneration (i.e. with a deferred portion, indexing, and performance conditions where appropriate).

Hedging or insurance coverage by beneficiaries of risk related to share price fluctuation or the profitability of business lines, aimed at eliminating the uncertainties related to their deferred remuneration or during the vesting period, is prohibited.



Buyout awards to newly hired experienced executives will be paid according to a schedule and under conditions as equivalent as possible to the initial vesting dates and conditions of the repurchased instruments and in accordance with the payment and behavioural conditions stipulated in the framework of the BNP Paribas Fortis' deferred compensation plan in effect at the time of the buyout awards to these employees.

Any severance payment served to members of the Management Body and the regulated staff is in line with the provision of the Belgian Banking law of 25 April 2014.

## **B. Remuneration policy for MRTs**

### 1. Scope

MRTs are identified according to criteria defined by the European Commission Delegated Regulation of 4 March 2014, the Belgian Banking law of 25 April 2014, and through additional criteria stipulated by the BNP Paribas Group, according to the following methodology:

#### At Bank level

- the Bank's governing body: executive and non-executive managers,
- the other members of the Bank's Executive Committee,
- the heads at Bank level of Finance, Human Resources, Remuneration Policy, Legal Affairs, Fiscal Affairs, IT, and Economic Analysis,
- within the Compliance and internal audit functions: the head at Bank level and the managers directly under this person,
- within the Risk function, the head at Bank level, the managers who directly report to this person, as well as the other Executive Committee members for this function,
- the managing heads of activities, retail banking operational entities and businesses whose activities have a material impact on the Bank's risk profile.

#### At the level of the Bank's main business lines (key entities for which the Bank allocates more than 2% of its internal capital) :

- the head and the managers directly under this person,
- the head of risk and the managers directly under this person.

#### By virtue of risk criteria

- employees with delegations on credit that exceed certain thresholds (0.5 % of CET 1 (Common Equity Tier 1) of the Bank) and those with authority to approve or veto credit decisions,
- employees with the authority to initiate transactions of which the Value at Risk (VaR) exceeds certain thresholds (5% of VaR limit at Bank level) and those who have authority to approve or veto this type of transaction),
- members of committees with authority to accept or veto transactions, operations or new products,
- managers whose cumulated delegations for their direct employees exceed the threshold for credit risk.

#### By virtue of the remuneration level

Furthermore, the list also includes employees whose total annual remuneration for the preceding year exceeds certain absolute thresholds (EUR 500,000) or relative thresholds (within the 0.3% of best paid staff), and whose professional activity has a material impact on the Bank's risk profile.

### 2. Determination of bonus pools and breakdown by business line





*a/ The BNP Paribas Fortis New Reward Model (NRM) and the Individual Performance Plan (IPP)*

The NRM is applicable to employees (CLA-population) in all business areas and contains one individual part tied to performance results and risk/risk management objectives. The estimates are made taking into account the prior year's scoring experiences.

The IPP is applicable to managers in all business areas and contains one individual part tied to performance results and risk/risk management objectives. The bonus pool is a decision process based on business performance as well as risk performance.

*b/ CIB Specific bonus pools*

In the context of strict oversight of remuneration for all Global Markets staff (Fixed Income, Global Equity & Commodities Derivatives activities, except Cash Equity), the variable remuneration pool for these business lines is determined on Group level by taking account of all components of earnings and risk, including:

- direct revenues;
- direct and indirect costs allocated to the business line;
- refinancing cost billed internally (including actual cost of liquidity);
- the cost of risk generated by the business line;
- preferred return on capital allocated to the activity.

The bonus pools thus calculated are distributed among the Global Markets business lines on the basis of clearly defined and documented criteria specific to each business line or team, which reflect:

- quantitative performance measurement (including the creation and development of long-term competitive advantages for the Group);
- the measurement of underlying risk;
- market value of the teams and the competitive situation.

These criteria are supplemented by factual elements that measure a team's collective behaviour in terms of:

- ongoing control, compliance and respect for procedures;
- team spirit within the business line and cross-selling within the Group.

The criteria used are based on quantitative indicators and factual elements, which are defined each year at the beginning of the remuneration review process.

*c/ The Bank's other business lines*

The variable remuneration envelopes for the Bank's other business lines are set on the basis of the results generated by the activity (annual bonus pool), the market (local and/or métier) and achievements. Each year, the bonus pools are decided in the course of the budget process with the Finance Department and General Management and take into account direct input from Risk Management on the "cost of Risk" (Risk-adjusted performance) or equivalent risk measures for the pôle or métier, depending on the scope of the budget. Bonus pools should also take into account own funds requirements, the liquidity requirements or the probability and recurrence of the profits of the Bank.

*d/ Pools for support and control functions*



Variable compensation pools for support functions and integrated control functions<sup>2</sup> are determined independently of the performance of the business lines whose operations they validate or verify.

### 3. Individual awards

Individual allocations are based on:

- the performance of the team to which the individual belongs and his or her individual performance (performance is measured depending on the profit level and risk level linked to this profit),
- assessments (a mandatory annual individual assessment performed by the line manager), which simultaneously evaluates:
  - qualitative achievements in relation to objectives set;
  - professional conduct with respect to the Group's values, compliance requirements and procedures;
  - contribution to risk management, including operational risk;
  - the person's managerial conduct where applicable.

Failure to comply with applicable rules and procedures or blatant breaches of compliance or ethical standards will lead to a reduction or cancellation of the variable remuneration, independently of any disciplinary proceedings.

The employees identified as MRT are formally assessed annually against the Respect of Code of Conduct and Rules & Regulations and against the Risk Assessment & Management, as defined by the Bank. Failure to comply with at least one of these rules leads to a reduction or cancellation of the variable remuneration of the year for the relevant employees.

Individual awards for employees of support functions and control functions are made in accordance with these guidelines and independently of the performance of the business lines controlled by the employees. Furthermore, particular emphasis is given to the employee's contribution to risk management during the annual assessment process.

Thus, risk and risk measurement are taken into account in the process of determining pools and of sub-allocating variable remuneration pools to the business lines; they also serve as assessment criteria in the process of assessing and allocating individual variable remuneration awards; furthermore, they help strengthen the risk culture of all staff members.

### 4. Payment of variable remuneration

For MRTs, variable remuneration includes a non-deferred portion and a deferred portion. The deferred portion increases in proportion to increases in the amount of variable remuneration, according to the scale set each year by Executive Management of the Bank, ranging from at least 40% to 60% for variable remuneration amounts exceeding EUR 200,000.

In accordance with regulatory requirements, variable remuneration (including both the deferred and non-deferred portions) is paid as follows:

- half in cash;
- half in cash indexed on the BNP Paribas share price, at the end of a vesting period.

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<sup>2</sup> Risk, Compliance, Internal Audit, Legal



Indexing on the share price has a dual purpose: to align the recipients' interests with those of shareholders, and to ensure solidarity with the institution's overall performance results.

For the members of the Executive Board, the Executive Committee and the Executive Leaders, the payment of bonuses is subject to a five year deferral period with the last payment in September 2022, i.e. five years and nine months after the reference year for determining the variable remuneration awards.

For all other MRTs, the payment of bonuses subject to deferral is spread over eight payment dates, with the last payment in September 2020, i.e. three years and nine months after the reference year for determining the variable remuneration awards.

The deferred portion vests progressively over the three/five years following the year of award, subject to achieving the business line, activity and Group financial performance targets and meeting the behavioural criteria set at the time of award.

Vesting of each annual portion is thus conditional upon evidence of achieving the conditions set at the time of the initial award on each annual vesting date, based on the profitability level of the business line and/or activity, and/or the Group as a whole. These conditions are designed to foster an awareness of the impact that activities in a given year can have on results in subsequent years and to align individual conduct with the institution's strategy and interests. If these conditions are not met during the course of a financial year, the annual deferred portion is lost ('Malus').

Serious weaknesses in risk monitoring, management and management of compliance issues will be assessed by a dedicated committee, on the basis of:

- Awareness of and respect of Risk procedures and policies (including but not limited to risk limits, monitoring/updating of such limits, ...);
- Reporting and management of Risk related incidents;
- Risk-taking assessment incorporating stress-test parameters;
- Behaviour that has caused or contributed to the need for a material restatement of the business unit's financial result;
- Behaviour that causes or is reasonably expected to cause a substantial financial loss or any injury to the interest or business reputation of a business area, the bank or BNP Paribas;
- Awareness and respect of Compliance and Operational Risk policies (including Financial Security, Protection of the Client Interests, Professional Ethics, Market Abuse, Outsourcing, Data Protection, Fraud prevention and Permanent Control, procedures governing the Exceptional Transaction Committee, New Activities Committee, Customer Acceptance Committee);
- Reporting of compliance, regulatory, operational risk and other incidents that would harm the reputation of the bank or the BNP Paribas Group; and/or
- Follow up on detected weaknesses in the internal control environment (including but not limited to recommendations from IG, permanent control, Compliance,...).

According to the application of the circular of the NBB of 10 November 2016, if total variable compensation is inferior or equal to EUR 75,000, the variable remuneration is paid at the award date.

For MRT regulated at the level of the Group, the proportionality principles of the Group apply. If total variable compensation is inferior or equal to EUR 75,000, the deferred part on the bonus is paid at the award date.



Some MRTs are also beneficiaries of a fully deferred three-and-a-half-year retention scheme in the form of a contingent capital instrument whose payment is subject to the absence of regulatory resolution measures and keeping the BNP Paribas Group's CET1<sup>3</sup> ratio above 7%.

In case of dismissal for misconduct, (or for employees who left the Group, the misconduct that would have led to its dismissal, if it have been revealed while she/he was an employee) particularly when the employee's action involves the breach of risk control rules or of the compliance rules or in respect with the code of conduct, or also a dissimulation or an action that resulted in a distortion of the conditions under which variable remuneration previously allocated were set, all or part of the rights to the deferred parts of the previously allocated variable remuneration shall be lost ("Malus") and potentially any elements of variable remuneration already paid shall be recovered ("Clawback") (subject to respect for local labour law).

Finally, the variable remuneration of employees working in capital market activities, not included in the category of MRTs, continues to be strictly controlled and subject to payment rules including deferral, indexation and payment conditions arrangements.

#### 5. Fixed remuneration

Fixed remuneration for MRTs, as for other employees, is defined in relation to the employee's skills and experience and the local job market, among other criteria.

#### 6. Ratio between variable and fixed remuneration

According to Belgian Banking law, the variable remuneration, at its notional value at award date, paid to an employee including in the MRT category is limited to the highest of 50% of his or her fixed remuneration or EUR 50,000 gross.

For the purpose of calculating the ratio, a discount rate may be applied to the portion of variable compensation deferred for 5 years and paid in the form of instruments, up to a limit of 25% of total variable compensation.

#### 7. Scope of application and local rules

The provisions described above are generally applicable to the Bank's MRTs. Special provisions, sometimes more restrictive in particular concerning payment conditions of variable remuneration or the ratio, may apply to MRTs in certain countries, due in part to the local transposition of CRD4 rules.

#### 8. Directors and corporate officers

Finally, the variable remuneration of the Bank's directors and corporate officers is determined in compliance with the principles set out above applicable to all Bank's MRTs and in accordance with the terms and conditions proposed by the Remuneration Committee and adopted by BNP Paribas Fortis' Board of Directors. Specific remuneration principles and policy applicable to the Bank's directors and corporate officers are detailed in the Annual Report 2016.

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<sup>3</sup> The Group's Common Equity Tier 1 stood at 11.5% on 31/12/2016



### III. Quantitative information on remuneration awarded to MRTs for the 2016 financial year

#### A. Aggregate data

##### 1. Bank employees whose 2016 remuneration is subject to oversight rules

A total of 221 employees of the bank, including the foreign branches, have been identified as MRT's.

##### 2. Remuneration of MRT employees in 2016

The quantitative information set out below concerns the remuneration awarded for the year 2016 to employees identified as MRTs at Bank level within the meaning of CRD4 and the Belgian banking law, but does not reflect remuneration awarded to other employees whose remuneration is also subject to oversight.

Remuneration data for directors and corporate officers of BNP Paribas Fortis are included, in aggregate, in the quantitative information shown below. The table shown below includes the fair market value of the long-term compensation plan awarded to corporate officers in 2017.

Compensation awarded to MRTs for the financial year 2016 breaks down as follows:

In thousands of euros, excluding employer contributions	Number of people concerned	Amount of total compensation	Amount of fixed compensation	Amount of variable compensation awarded
Executive body – Directors and corporate officers	6	5 108	3 879	1 229
Other MRTs	215	54 900	41 842	13 058
<b>Total</b>	<b>221</b>	<b>60 008</b>	<b>45 721</b>	<b>14 287</b>

The amount of variable remuneration paid in cash in April 2017 for financial year 2016 to 2016 MRT employees equals EUR 7.10 million. The balance of variable remuneration (i.e. a theoretical amount of EUR 7.19 million), is spread out over several conditional payments for members of the Executive Board and Executive Committee between September 2017 and September 2022 and over several conditional payments between September 2017 and September 2020 for all other MRTs.



## B. Other data within the 2016 regulated scope (in thousands of euros excluding employer contributions)

### 1. Structure of the variable component of remuneration

	Vested amount paid or delivered	Conditional deferred amount*
Executive Body	338	891
Other regulated employees	6 759	6 298
<b>Total</b>	<b>7 097</b>	<b>7 189</b>

\*spread out for deferred bonus, including EUR 2.71 million in September 2017.

	Payment in cash	Payment in shares or equivalent instruments
Executive Body	523	707
Other regulated employees	7 776	5 282
<b>Total</b>	<b>8 299</b>	<b>5 989</b>

### 2. Unvested variable remuneration

	Amount of unvested deferred compensation for the year	Amount of unvested deferred compensation for previous years
Executive Body	891	1 939
Other regulated employees	6 298	12 886
<b>Total</b>	<b>7 189</b>	<b>14 825</b>

### 3. Deferred remuneration paid or reduced as a result of the year's performance

	Amount of deferred compensation paid	Amount of reductions of deferred compensation
Executive Body	354	-
Other regulated employees	9 930	-
<b>Total</b>	<b>10 284</b>	<b>-</b>



4. Sums paid to new hires and terminations during the year

	Severance benefits paid and number of beneficiaries		Sums paid to new hires and number of beneficiaries	
	Sums paid	Number of beneficiaries	Sums paid	Number of beneficiaries
Executive Body	-	-	-	-
Other regulated employees	348	1	-	-

5. Severance benefit guarantees

	Severance benefit guarantees granted during the year	
	Total amount	Number of beneficiaries
Executive Body	-	-
Other regulated employees	-	-

	Highest guarantee	
Executive Body	-	-
Other regulated employees	-	-

6. Number of MRT employees whose total remuneration for 2016 exceeded EUR 1 million

Total compensation	Number of MRTs for the year 2016
Between EUR 1 million and EUR 1.5 million	2
Between EUR 1.5 million and EUR 2 million	1
Between EUR 2 million and EUR 2.5 million	-
Between EUR 2.5 million and EUR 3 million	-
Between EUR 3 million and EUR 3.5 million	-
Between EUR 3.5 million and EUR 4 million	-
Between EUR 4 million and EUR 4.5 million	-
Between EUR 4.5 million and EUR 5 million	-