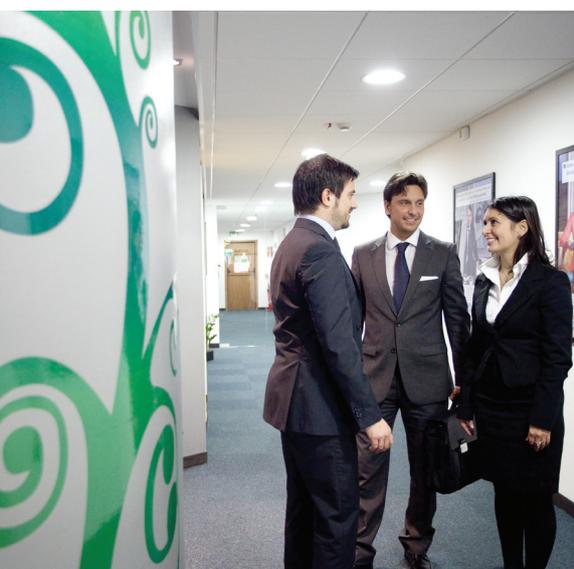
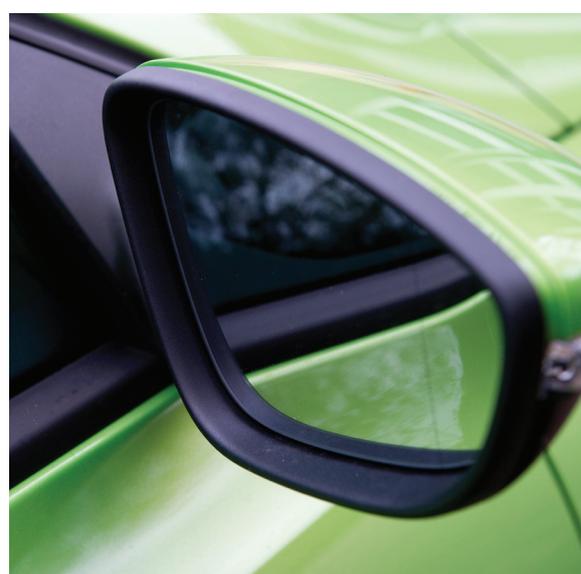
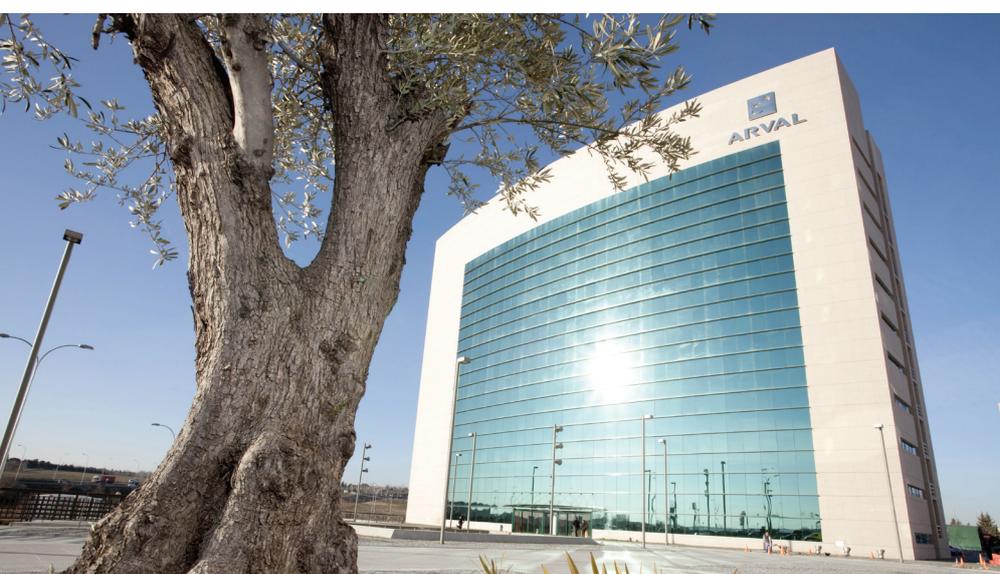




Sustainability Report

Arval Communication On Progress



12/13



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Our commitment to Global Compact



As a member of the United Nation's Global Compact since 2004, Arval is committed to aligning its operations and strategies with Global Compact's ten guiding principles:

HUMAN RIGHTS:

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights.

Principle 2: Businesses should ensure they are not complicit in human rights abuses.

LABOUR:

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

Principle 4: Businesses should support the elimination of all forms of forced and compulsory labour.

Principle 5: Businesses should uphold the effective abolition of child labour.

Principle 6: Businesses should uphold the elimination of discrimination in respect of employment and occupation.

ENVIRONMENT:

Principle 7: Businesses should support a precautionary approach to environmental challenges.

Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility.

Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.

ANTI-CORRUPTION:

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Within this report, a large number of examples shows how Arval is putting these principles into action.



“As long ago as 2004, Arval was the first fleet leasing company to sign the Global Compact, and its core values are now at the heart of our policy-making.”

CSR, a commitment embedded in our Corporate culture

At Arval, Corporate Social Responsibility (CSR) is an enduring commitment and a long-standing priority. Every year, we work hard to strengthen this commitment and to communicate more openly about it. As such, our CSR strategy has evolved to cover four pillars: Environmental responsibility, Civic responsibility, Social responsibility and Economic responsibility. Within each of these pillars, key commitments help us to better structure our actions in our relations with customers, employees, partners and company stakeholders.

CSR has never been more relevant or important to Arval's business. Today, customers expect fleet leasing companies like Arval to assume responsibility for their environmental impact, especially in terms of greenhouse gases, air quality and energy consumption. Furthermore, these factors are increasingly subject to limits and quotas. At Arval, we go out of our way to rise to these challenges, carefully respecting all aspects of CSR as we prepare the future.

We have launched an eco-safety challenge on mobile devices to encourage all drivers to be responsible for their own driving behaviour. This positive CSR approach is embedded in our new programme, the Arval Smart Experience, which promotes new services, solutions and increased interaction with our customers. We also give customers the opportunity to reduce and offset their greenhouse gas emissions, and we also support community projects all over the world. Our aim is to continually improve CSR, finding new and innovative ways to respect the environment and the people involved in and affected by our business.

As such, we are committed to being a driving force behind vehicle improvements doing our part to ensure cars are greener and safer in the future - and equipped with greater connectivity. That's why CSR has become an integral part of our policy-making, firmly embedded in our different products and line of business.

In line with the BNP Paribas Group, Arval also sets internal objectives and KPIs to minimise its day-to-day impact on the environment. As such, we aim to reduce CO2/EFT by 10% and paper consumption/EFT by 15% for 2015. Furthermore, by the end of the year, ten of our entities will be certified ISO 14001.

For Arval, such policies are the logical extension of a CSR strategy born over a decade ago. Since then, we have continued to take our responsibilities very seriously, becoming the first fleet leasing company to sign the United Nations Global Compact in 2004. Today, I am proud to say that CSR is more than just a commitment; it is the foundation and essence of our corporate culture.

A handwritten signature in black ink, appearing to read 'M-B', which is the signature of Philippe Bismut.

Philippe BISMUT
CEO, Arval



“Arval’s commitment to the environment has been recognised with ISO 14001 certifications in many countries. By 2014, all Arval subsidiaries are scheduled to achieve certification.”



Arval Belgium's new eco-building

While our business is a pillar of the international automotive industry, the potential footprint on the environment is considerable. Our duty is therefore to do our best to minimise our environmental impact. For several years, Arval has developed a wide range of activities both upstream, through research and discussions with manufacturers, and downstream - with customers and colleagues. The company is committed to accurately measuring and optimising the environmental impact of the 700,000 vehicles leased to its customers.

Reduce environmental footprint linked to our own operations

Arval regularly takes stock of its environmental footprint and implements new ways to reduce it. In Germany, around 50% of Arval’s office equipment is eco-label and toner cartridges are recycled. **Arval Austria**, meanwhile, uses a bicycle courier service to deliver documents within Vienna.

ISO 14001 CERTIFICATION

Arval’s commitment to the environment has been recognised with ISO 14001 certifications in the UK, France, the Netherlands, Hungary, and Italy. In 2013, ISO 14001 certification will be extended to subsidiaries in Belgium, the Czech Republic, Germany, Luxembourg and Spain. The remaining countries are scheduled for certification in 2014.

Arval recognises that its day-to-day operations and products have both

a positive and negative impact on the environment and is fully committed to minimising the pollution and harmful effects of its actions and products wherever practicable.

This commitment is expressed through the ISO 14001 Environmental Management System (EMS) and other environmental initiatives.

The company is currently developing its environmental approach on several different fronts:

- Paper usage
In 2012, Arval adopted the BNP Paribas paper and printing policy, which sets quantitative targets in terms of paper reduction and consumption. By the end of 2013, 40% of paper will be made from sustainable methods.
- Energy consumption
One example of an energy consumption initiative is the CO₂ emission limits set by Arval for its internal fleet.



As long ago as 2009, **Arval Italy**’s head office in Scandicci, near Florence, installed solar panels on the roof of its building. In 2012, it constructed new offices with 2,500 photovoltaic panels. This will enable Arval Italy to produce an estimated 725,000 kWh of renewable energy per year, while additional geothermal facilities will help optimise energy consumption. The team moves into its new premises in 2013, and is expected to be fully self-sufficient in energy consumption.



Since 2010, **Arval France** has partnered with ONF international to support the forest project of Fazenda Sao Nicolau in the State of Mato Grosso (Brazil), offsetting the CO₂ emissions of its internal fleet every year.



Following an independent audit in 2012, **Arval UK** retained the ISO 14001 standard for a further three years. The certification is a guarantee that **Arval UK** controls the environmental impact of its operations, products and services, has reached clearly-defined ecological targets, and that it is continually improving its environmental performance. At the beginning of 2013, Arval Italy also retained its ISO 14001 status for another three years.



Arval Netherlands signed the Cleaner Car Contract in 2012, attaining the objective of no more than 120g/km of CO₂ for its internal fleet. This achievement earned it Gold fleet status. At the beginning of 2013, meanwhile, **Arval Germany** signed the Cleaner Car Contract in the Silver category.



In 2012, **Arval Turkey** was awarded the Certificate of Carbon Offset in recognition of its contribution to a wind power project in Çatalca, Istanbul.



Arval Romania helps finance the Tree Nation reforestation programme. Its current project is the La Pedregoza plantation in Colombia, which aims to provide economic sustainability for this natural reserve dedicated to the conservation of equatorial flora and fauna.



The newly-defined upper limit is 135gr/km per vehicle, while the average CO₂ emissions of the internal fleet must not surpass 107 gr/km per vehicle.

- Recycling (wood, paper, IT materials, ink cartridges etc.)

Many countries have implemented major recycling initiatives. Arval France, for example, has introduced recycling bins in the cafeteria and also collects used ink cartridges and paper for recycling, while **Arval Czech Republic** has established multiple recycling bins for different types of waste.

- Eco friendly travel

Arval France offers employees a Corporate Mobility Plan for professional journeys and travel between the workplace and their home. This plan establishes concrete measures such as carpooling or travel policies to optimise staff travel and promote more economic, eco-friendly mobility.

CLEANER CAR CONTRACT

Cleaner Car Contract is a coalition of environmental organisations and car lease corporations, united by their conviction that fuel efficiency benefits the climate and environment while also reducing the costs of driving.

By signing the Cleaner Car Contract, Arval shows its commitment to achieving

ambitious goals in fuel efficiency and CO₂ emissions, agreeing to reach the European Union 2020 CO₂ objective of less than 95 gr/km per vehicle on average.

ECO-EFFICIENCY OF BUILDINGS

Eco-efficient buildings are one of Arval's key environmental choices, with subsidiaries in Italy and Belgium having recently moved into new state-of-the-art premises. **Arval Belgium's** new eco-building is maintained by La Serre Outil, a gardening and horticultural organisation that helps disabled people to integrate socially and professionally.

OPTIMISATION OF ARVAL FLEET

In order to compensate the CO₂ emissions of its own fleet, Arval takes part in various offsetting projects. Many countries participate in local initiatives, while others contribute to actions further from home. In 2012, Arval compensated the full CO₂ emissions of its own fleet through different projects, including REDD (Reducing Emissions from Deforestation and forest Degradation) in Kenya, a partnership with Eco'Act. It continues to make significant investments in environmental projects to offset its production of CO₂.



Arval Italy has created an annual Eco-Model Calendar focused on the EVs and hybrids soon to be released on the Italian market. The calendar highlights key dates for the launch of these eco-friendly vehicles.



In 2012, **Arval Poland** officially launched the Arval Driving Academy, the first comprehensive training programme in the country dedicated to drivers. It includes theoretical lectures on first aid and driving psychology, a Driver E-learning Portal with a 360° cross-safety tool to boost driver awareness, and special "Road Accident Simulation" events organised at customers' sites to demonstrate how to react if faced with a life-threatening situation. **Arval Italy** launched its own Driving Academy in early 2013.



Arval Italy has created Ecopolis Fleet, a product that focuses on minimising companies' carbon footprint in three steps: quantification, reduction, and offsetting CO₂ emissions in partnership with the Lifegate reforestation programme. Customers can choose to fully or partially offset their fleet's emissions, and then pay a monthly fee corresponding to the requisite amount of carbon credits.



Promote the choice and use of eco-friendly vehicles/solutions

MANAGEMENT OF CO₂ EMISSIONS

Arval offers a comprehensive programme to help customers reduce their carbon footprint. The service is divided into three steps:

- Advise
- Manage
- Report

The programme starts by measuring the CO₂ emissions of the customer's fleet and establishes quantitative reduction goals. Various optimisation actions are then proposed. Arval helps with the decision-making process, manages the calculation of CO₂ volumes, and provides its expertise for car policies and driver training. When emissions remain above the reduction objectives, Arval provides a variety of offsetting solutions and manages the traceability, quality and eligibility of the underlying project.

Thanks to their knowledge of the latest innovations in engine efficiency and alternative fuel, Arval's experts help customers choose the vehicles best suited to their needs. As a result of their advice, vehicle CO₂ emissions can be reduced by around 5 tonnes per vehicle during the duration of the contract.

Eco-driving training programmes teach drivers how to use their vehicles more efficiently. Initially, increased awareness of best practices (e.g.: driving with tyres inflated at only 60% of the recommended level causes over-consumption of 1 litre per 100) enables drivers to cut their consumption by around 5%; subsequently, training aims to bring about a real change in behaviour, and to cut fuel consumption and CO₂ emissions by 8% to 14%.

Finally, thanks to the company's "AutoPartage" car-sharing offer, Arval customers can rationalise their travel costs while reducing their carbon footprint

ECO-DRIVING

In all countries, Arval offers its customers and employees the opportunity to participate in a complete eco-driving programme, whereby drivers are encouraged to change their behaviour behind the wheel and learn to use their vehicles more efficiently. The different courses teach drivers how to drive according to various principles such as economic driving, respect of the environment, and passenger and driver security. The programme can be expanded with a driving proficiency training course that prepares drivers for unforeseen traffic situations.

Apply specific policies in sensitive sectors

Arval is committed to applying risk guidelines for new clients and contract renewals. These guidelines account for all the sector exclusion policies created by BNP Paribas: defence, palm oil, nuclear power, wood pulp, coal-fired power generation and basic agricultural commodities.

The aim is to create strict investment and financing policies for sectors that may

have a significant impact on the environment. The result of in-depth analysis, these policies aim to address the most critical points in the production chain, accounting for the bulk of potential impact in each segment. They stipulate essential conditions and precise complementary criteria. As such, these criteria help to pinpoint all the risks related to a transaction, ensuring that only responsible projects are selected.



At **Arval Netherlands**, staff can try out electric bikes thanks to an initiative called 'Drive 2 out of 5'. Employees are given an electric bike if they agree to use it to get to work for two of the five working days. After a month's trial period, participants can decide whether or not they want to carry on their commitment to electric cycling. The initiative has already been adopted by 17 members of staff.



Arval UK has introduced an ongoing Alternative Fuel & Technology trial programme, initially testing a number of pure electric, plug-in hybrid and range extender vehicles. This has allowed the consultancy team to talk to customers with first-hand experience of the latest vehicle technologies. **Arval UK** has extended the trial further by obtaining a BMW ActiveE electric vehicle, which was used in the Olympic games, with a plan involving sharing with customers, staff and within the local community.



Arval Switzerland works with its customer Switcher, a clothing brand well-known for ethical manufacturing, to offset its CO₂ emissions with partner myClimate.



Arval believes it has a civic duty to combat exclusion, support education and promote a culture of road safety. Through a range of different actions, the company is committed to upholding human rights, engaging in corporate philanthropy and improving driving safety.

Be compliant with the UN guiding principles concerning Human Rights

In order to ensure the United Nations' guiding principles of human rights are respected throughout its business relationships, Arval complies with Global Compact principles both internally and in its upstream relations with suppliers. The company's global procurement contracts include a reference to Global Compact principles, and clearly stipulate that business partners must communicate any non-compliance.

At tender level, suppliers are systematically given the latest Communication on Progress, as well as a summary of Arval's CSR policy, and are required to sign

Arval's suppliers' charter. Contracts of any nature must include a commitment to refuse child labour and corruption, and to reduce the environmental impact of business actions. Furthermore, for full transparency with stakeholders, the Communication on Progress report is published annually on the Global Compact website.

In an effort to extend its civic responsibility further, Arval is launching a **preferred network project** in 2013, which includes the use of environmental and social criteria to select preferred suppliers.



For Christmas 2012, **Arval Germany** donated €2000 to the NGO "Aktion Kinder-Unfallhilfe", which helps children and teenagers recover from road accidents and raises awareness of accident prevention.



Since 2010, **Arval Russia** has made regular donations to support the Pervomaisky Orphan Home near Kostroma. The majority of children and teenagers in the home need medical care, as well as help in adapting and developing socially. Many have physical disabilities. The financial donations offered by Arval are mainly used to purchase medicine and items for

the children's daily lives. **Arval Russia** also supported the Nikita Orphan House in Moscow by contributing funds for the construction of a new sports complex. Through these initiatives, **Arval Russia** strives to improve the quality of life for orphans and foster children, promoting their education and social development.

Apply a corporate philanthropy policy focusing on education, health, culture and solidarity

Since 2008, all Arval subsidiaries have focused on maintaining close and sustainable relationships with local Non-Governmental Organisations (NGOs). Arval focuses its philanthropic effort on the domains of education, exclusion, health, road safety, culture and solidarity.

Many countries now have long relationships with local associations or NGOs, including **Arval France**, which

has lent vehicles to the French NGO "Association des Paralysés de France" (Association for Paralysed Individuals) ever since 2006. Other projects are responses to unexpected crises, such as the reconstruction project undertaken by **Arval Turkey** in 2011 following a destructive 7.2 magnitude earthquake in the east of the country. **Arval Turkey** helped rebuild the university in Van by raising funds for a permanent prefabricated school with a

capacity of 500 people and a student dormitory for 192 people.

Other charity projects included **Arval Italy's** support of Telethon 2012, **Arval Austria's** backing of an organisation for blind and visually-impaired people, and **Arval Czech Republic's** work with Elpida, a social and education centre for senior citizens.

"Arval focuses its philanthropic effort on the domains of education, exclusion, health, road safety, culture and solidarity."



Since 2011, **Arval Slovakia** has been the exclusive partner of an event that aims to fight discrimination against people with disabilities. Organised by the NGO AV Mobilita, the event brings together able-bodied people and those with disabilities around cultural and recreational activities, aiming to break down barriers and promote understanding.



Arval India made donations to the NGOs PRATHAM, which works to provide quality education to the underprivileged children of India, and ASEEMA, which offers educational and vocational training to marginalised or tribal children in India.





“Arval lends its expertise to industry safety forums such as the European Road Safety Charter (ERSC). It also supports the Corporate Vehicle Observatory (CVO), an independent panel of experts tasked with researching fleet management and establishing Key Performance Indicators for accident costs and progress.”



On 20 November 2012, **Arval Turkey** organised its third CVO event in Feriye Ortaköy, Istanbul. During the day, there were speeches from senior management, a presentation of the CVO barometer results, and an open workshop – named From Operational to Strategic Fleet Management – focusing on the future of fleet management. More than 40 customers and prospects attended the event, and feedback was extremely positive.



Influence and act for road safety

As part of its commitment to improve road safety for both employees and customers, Arval helps organise a number of events. In May 2013, all the company's entities will be involved in the 2nd United Nations Road Safety Week. Arval's participation will include organising safety briefings and workshops for staff and customers, planning an event with local schools, promoting Arval's 10 Safe Driving Tips, and producing a customer newsletter with best practices and safety advice.

CONTRIBUTE TO INDUSTRY SAFETY

Arval also lends its expertise and support to industry forums on safety. Twenty subsidiaries have signed the European Road Safety Charter (ERSC), a European Commission initiative to reduce traffic accidents by implementing concrete measures and sharing best practices. The ERSC values are used by Arval to develop newsletters and other informative material for both employees and customers.

CORPORATE VEHICLE OBSERVATORY (CVO)

Created in 2002, the Corporate Vehicle Observatory (CVO) is a panel of experts – a structure independent of Arval but

supported by the company – tasked with researching all aspects of fleet management. Ever since its creation, it has been examining the different issues associated with CSR. The success of its approach and its value to professionals has led the CVO to gradually widen its activity to cover 16 countries. In collaboration with the survey company CSA, it also conducts an annual survey of 4,800 fleet managers in 16 countries. The aim is to identify significant trends in fleet management (pros and cons of “green” vehicles, expectations in terms of road safety, fuel, etc.) and to elaborate an annual barometer, a true reference for industry professionals.

With the help of the CVO, Arval organises working groups with internal experts to establish Key Performance Indicators (KPI) for accident costs and progress. In 2012, the annual CVO barometer focused on two main themes:

- The driver and his/her responsibilities (corporate, road safety, reduction of CO₂ emissions, etc.)
 - Mobility issues in companies (mobility plans and management, car sharing, carpooling, costs etc.)
- In line with this focus, **Arval Spain** organized a roundtable on corporate mobility issues, attracting 130 participants.

Every year, countries are encouraged to invite customers to at least one CVO

event, workshop or roundtable focused on safety. **Arval Italy**, for example, will offer its customers a road safety leaflet entitled “Technologies in service of Safety”, which will be adapted in France and in Russia. **Arval France** is working on the “TCO Tour”, which involves optimising fleets by improving the well-being of drivers accounting for their needs, providing them with efficient tools, eco- and safety training, etc. **Arval UK**, meanwhile, has created thematic videos about road safety, telematics, future mobility, and more.

In 2012, the CVO also edited a leaflet on electric and hybrid vehicles for international distribution.



PROMOTE PERSONAL SAFETY

Arval undertakes a number of initiatives to help customers optimise fleet safety. Personalised advice is offered so customers can select a vehicle that answers their safety needs. At **Arval UK**, a customer safety benchmarking forum was recently launched, and drivers are systematically provided with a safety kit in a number of subsidiaries, including **Arval Hungary** and **Arval Russia**.

Arval considers it a corporate duty to help prevent road accidents and uphold its "duty of care" responsibilities. Every year, it publishes a fleet review on accident rates and road safety programmes. The company's expertise in the field of accident management and risk has allowed it to develop a comprehensive road risk programme to help customers limit their exposure to risk. Customers benefit in terms of legal responsibility and improve their control on visible and hidden costs of accidents (lost time, vehicle off the road for repair, missed orders and business opportunities).

CHANGE DRIVING BEHAVIOUR

Ever since 2007, Arval has organised a double security and eco-driving training initiative for all its employees. As part of its commitment to road safety, Arval now proposes internal training and awareness programmes to its customers worldwide. All customer road safety initiatives are tested internally before being offered externally, as a means of guaranteeing their quality and effectiveness.

Customers are encouraged to include safety training in their Company Car Policy, especially in the BRIC countries. In **Arval Austria**, customers are advised to forbid the use of telephones in the car.

Arval also offers telematics solutions to help customers follow their vehicles' fuel consumption and therefore encourage them to change driving behaviour. Furthermore, an **e-learning platform is currently being developed** to promote safe driving.



"We wanted to share this show with our local community as part of our ongoing work to raise road safety awareness. The puppeteer tackles tough messages in an edgy and memorable way that teenagers will relate to, and it will hopefully make them think about their own driving habits."

TRACEY SCARR,
Fleet & Road Safety Manager, Arval UK



Arval Morocco has found an original way to promote safe, ecological driving. In 2012, it launched the "Security and Ecology Awards", a contest open to local customers and partners, who could compete in three categories: Security (the lowest average claims rate), Environment (the lowest average CO2 emissions) and Eco-responsibility (the best combination of the first two categories). To increase their chances of winning the competition, customers were invited to consult Arval and ask for advice or support in optimising their fleet policy.



Arval Portugal has developed a special Eco-Driver leaflet, which is systematically included in the Arval Driver Kit. This means customers have access to tips on more responsible, safer driving whenever a new vehicle is delivered.



Arval Spain has partnered with FESIVAL, an independent Spanish road safety foundation, to promote safer driving to customers and prospects through a new road-safety focus in Arval's external communications. Monthly invoices feature a dedicated space to promote

road safety awareness with short, punchy messages like "Did you know that fatigue causes around 20% of road accidents?" E-newsletters, meanwhile, include a short article written by FESIVAL Director, Luis Montoro, Professor on Road Safety at Valencia University.



In the **United Kingdom**, Arval teamed up with Michelin and The Puppet Broadcast Company to stage a unique life-sized puppet show promoting driving safety to young people. The show uses characters with whom young people can identify to convey messages about the dangers of peer pressure and the importance of individual decision-making in driving. Being a passenger in a car is a common cause of death for females aged between 16 and 24 in the UK, and the objective of the puppet show was to make young people realise the huge responsibility that comes with driving.



As well as its commitment to being a corporate citizen for customers and stakeholders, Arval fully recognises and upholds its responsibility towards employees. Across all aspects of the company, it strives to pursue a committed and fair human resources policy that respects employee diversity and individuality.

Train staff members to build up ethical business relations in the long term

Arval is committed to establishing and maintaining managerial training programmes that help staff to build long-term ethical business relations. As part of this commitment, Arval has adopted the BNP Paribas Management Principles,

which have long proved their worth as guidelines for ethical business conduct. Furthermore, many countries now have well-established ethical training programmes, including **Arval Italy**, **Arval Netherlands** and **Arval Belgium**.

Promote diversity

Non-discrimination is one of the pillars of Arval's Human Resources Guiding Principles and of the Arval Mobility Policy. In order to enforce this commitment, Arval trains its HR managers in non-discrimination practices and teaches them to promote

inclusion and diversity. In the last year, **Arval France** trained 67 managers in non-discrimination, while **Arval Austria** now enforces a test to ensure there is no workplace discrimination, in line with the country's General Equal Treatment Act.

Solidarity-based employment management

Communication and interaction are a key part of how Arval shows its respect for employees. Each year, the Global People Survey gauges employee satisfaction, and results are used as a basis for improvement. In addition, bottom-up communication practices such as HR breakfasts, workshops and focus groups help employees and managers to interact more closely.

To further improve communication and transparency, Arval will be launching a Mobility Portal in 2013 to advertise vacancies across the company, giving employees everywhere a chance to diversify and grow their careers. Arval has also adopted the

BNP Paribas Group's Corporate Philanthropy programme, which enables staff members to get support for personal commitments towards non-profit organisations. In the past year, **Arval UK** has helped to raise £16,873 for employee-nominated local charities and **Arval Germany** has lent its support to the Malteser Social Day, with employees undertaking renovation work in schools.



On the last Friday of every month, **Arval Brazil** invites employees to take part in a collection of clothes, food and personal hygiene products. Known as "Thank God it's Friday", the initiative is organised in support of the Casa de Amparo Tia Marly, an organisation that provides assistance to underprivileged children.



In March 2013, **Arval Luxembourg** signed the Luxembourg Diversity Charter, which binds it to promote diversity through a series of tangible actions. The charter can be signed by any business in Luxembourg wishing to go beyond its legal and regulatory obligations to overcome discrimination in the workplace, and focuses on six key areas, including training, self-analysis and evaluation, and communication.



Wherever it operates, Arval aims to act responsibly in everything it does, striving to conduct every aspect of its business with honesty and integrity. Its global objective is to develop sustainable solutions in an ethical way.

Enhance our approach to Total Cost of Ownership (TCO)

Arval aims to help customers optimise the total cost of ownership (TCO) of their vehicles, while offering full transparency in its disclosure of information. For this reason, Arval's Total Cost of Ownership methodology always includes direct and indirect cost and incentives. In its mobility audits, Arval Consulting applies even more comprehensive standards, incorporating all means of transport to calculate the Total Cost of Mobility

for mature audiences. Arval also aims to explain any hidden costs to customers and provide solutions to optimise their fleet management and therefore offer them increased value for money. To help customers make better-informed decisions, Arval gives them access to Arval Analytics, a powerful data analysis tool that features important KPIs, fleet spending tendencies and fleet usage and consumption trends.

“To ensure full transparency, Arval's Total Cost of Ownership methodology always includes direct and indirect cost and incentives.”

Conduct business ethically

A GUARANTEE OF ETHICAL BEHAVIOUR

In order to maintain a culture of honesty and integrity in the workplace, Arval enforces a Code of Conduct and a strict anti-corruption policy. The company's guiding principles apply to every Arval subsidiary and cover relationships with all stakeholders and the whole lifecycle of the vehicle leasing product.

These policies are subject to supervision and control by the internal PC&C (Permanent Control and Conformity) function, acting both at local and headquarters level. The PC&C's responsibilities include:

- Upholding rules governing the acceptance of gifts within business relationships
- Ensuring all working relationships are subject to a signed contract

- Following up financial transactions to eliminate the possibility of legal or fiscal fraud

- Enforcing the strict ban on cash payments from customers or partners, even in countries where this form of payment may still be current

- Advising employees on how to behave and speak with competitors

SECTOR EXCLUSION POLICY

In line with its ethical commitment, the BNP Paribas Group does not accept funding, investment or transactions for products that are subject to national or international bans. Moreover, it has established a list of goods that are excluded from all the Group's transactions. This list was established on the basis of treaties, laws, regulations and decrees

recognised internationally to regulate the production and trade of these specific goods. Arval has joined this policy and will not engage in financing vehicles fleets involved in the following activities:

- the production or trade in controversial weapons within the scope of the Group's defence sector policy (published in 2010)
- the production, trade or use of drift nets over 2.5 kilometres in length
- the production of asbestos fibres
- the production or trade in products containing PCBs (polychlorinated biphenyls)
- the trade in any plant or animal species or products governed by the Convention on International Trade in Endangered Species of Wild Fauna or Flora (CITES) that are not authorised by a CITES permit.



Embed CSR in our range of products and services

In order to ensure that Corporate Social Responsibility (CSR) is firmly rooted at the heart of the company's business plan and strategic decision-making, Arval has undertaken a number of key measures.

ENSURE SUPPLIER STANDARDS

A charter has been developed for suppliers, and is systematically signed and applied by all entities in the frame of ISO 14001. Rather than signing the supplier's own charter, Arval insists that its charter, which fully respects Global Compact principles, is included in all RFP (Requests for Proposals) and new contracts. Furthermore, a ques-

tionnaire about the supplier's CSR policy is systematically included in each RFI/RFP, and many countries send an annual CSR-oriented assessment to major suppliers. On top of this, Arval regularly audits and assesses key suppliers.

As part of its commitment to CSR, Arval has pioneered mobility audits for mature audiences as a pilot tool in France and Italy. Furthermore, Arval regularly offers Eco & Safety training sessions to employees and customers. In Belgium and Morocco, all employees attended mandatory training sessions, and **Arval Luxembourg** introduced Eco & Safety training for its staff.



Arval UK has created a CSR-oriented questionnaire to select and evaluate its suppliers. The company seeks to use suppliers that help reduce its overall environmental impact. CSR is becoming increasingly important for all organisations, impacting on every aspect of business, and it is key to Arval that all suppliers strive to meet and, if possible, exceed its CSR guidelines.



At **Arval Romania**, the Drive4Life Eco & Safety training initiative has been available to all employees and customers since 2011. Drive4Life is an internal road safety programme, initiated at **Arval UK** and originally designed for Arval staff members. It aims to raise awareness of the harsh realities of poor driving and offers tools to help reduce road risks. The idea is to help employees and customers develop a strong safety culture. In 2012, **Arval Romania** partnered with BMW to organise two Drive4Life workshops free of charge to customers.

Communicate systematically and promote our CSR approach

In order to demonstrate that its promises are put into action, Arval endeavours to regularly communicate about its CSR initiatives. **Arval Italy**, for example, publishes an annual Sustainability Report, resuming its performance relative to important economic, environmental and social criteria. The document is written according to international guidelines for sustainability reporting, and is independently certified by an external organisation.

All new local websites include a section on sustainable development, accessible from the homepage. This section presents Arval's CSR policies and

commitments. Arval Italy even has a website dedicated to sustainability, named Ecopolis, while **Arval Romania** launched a new version of the Drive4Life website in 2012, about its Eco & Safety programme.

Arval also used a company-wide template to communicate on services such as telematics in local communications. In 2012, **Arval Italy** and **Arval Czech Republic** both had the opportunity to communicate on the launch of the telematics product "Arval On Board", while **Arval Hungary** communicated on its first electric vehicle.

“Arval insists that its charter, which fully respects Global Compact principles, is included in all RFP (Requests for Proposals) and new contracts.”

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