



COMMITMENTS  
BY A RESPONSIBLE BANK,  
**PROOF THROUGH ACTION**

**2012**  
CORPORATE SOCIAL  
RESPONSIBILITY REPORT



**BNP PARIBAS**



# Message from the Chairman and the Chief Executive Officer

**Baudouin Prot**  
Chairman

**Jean-Laurent Bonnafé**  
Director and Chief Executive Officer

## Strength and responsibility

In a shifting environment in Europe from a regulatory as well as an economic and social perspective, BNP Paribas again delivered positive results and became even stronger.

During 2012, we executed our plan to adapt to the new regulations and at end-2012, we had one of the highest solvency ratios in the banking sector. In addition, amid a challenging European economic environment, we posted healthy results, which were better than in 2011. Our financial strength and our commitment alongside our customers gained recognition from the financial community, which voted to make BNP Paribas “Bank of the Year” for 2012.

We are a strong bank and we also want to act as a responsible bank. Firstly, we are doing this by supporting development in the countries in which we operate. As a result, the loans we grant to our individual and corporate customers in our domestic markets have grown at a more rapid rate than economic growth since the crisis began.

This 2012 Corporate Social Responsibility Report reviews our commitments and provides proof of our actions in all our businesses, subsidiaries and countries. Our improvement drive has been recognised by Vigeo, the European extra-financial rating agency, which ranks BNP Paribas as the top global bank in terms of how it exercises its responsibility.

We are both proud and delighted to have gained this prestigious financial reward and been rated as a leader in responsibility in 2012 owing to the commitment and performance of our teams.

Baudouin Prot

Jean-Laurent Bonnafé



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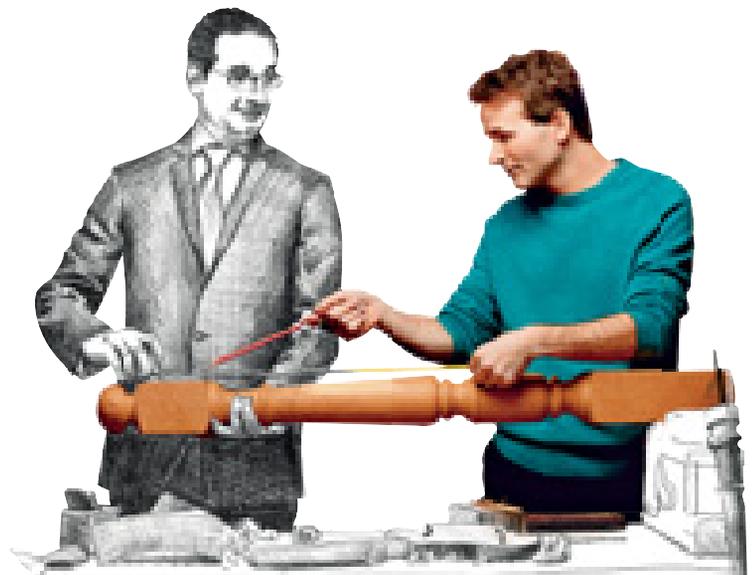
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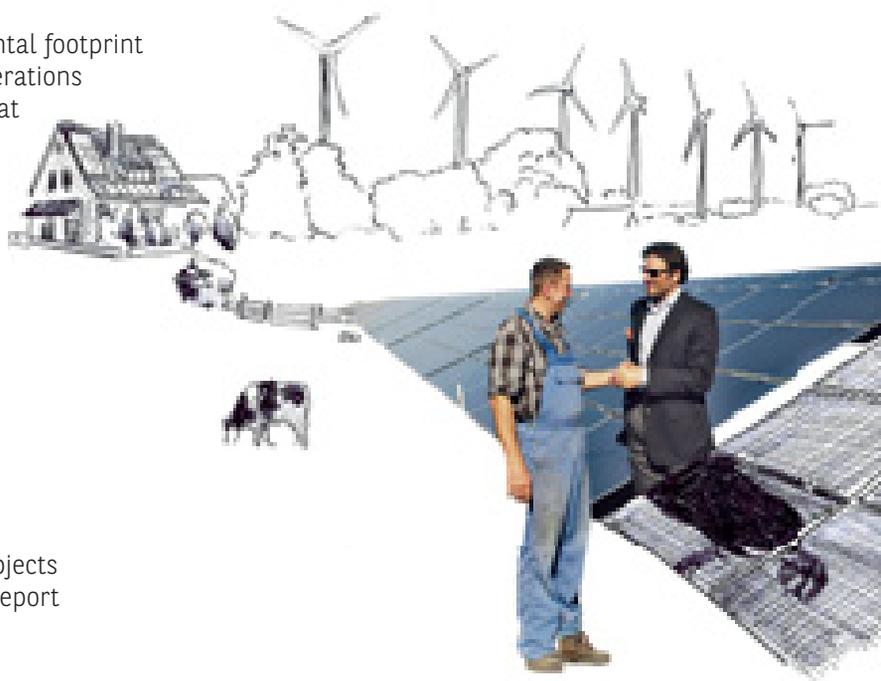
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### ▶ COMMITMENTS BY A RESPONSIBLE BANK

The cover of this CSR report reflects two of BNP Paribas' commitments as a responsible bank:

- offer products with a positive social impact, such as the Pack Trankil, to broaden access to banking services for our customers in Africa.
- combat exclusion by supporting micro-entrepreneurs, such as those presented in the Les Audacieux exhibition.

# A global leader in banking

Across Europe and around the globe, BNP Paribas provides its clients—retail customers, entrepreneurs, SMEs, corporations and institutions—with the banking solutions they need to achieve their goals.

BNP Paribas is a leading European banking and financial services provider present in 78 countries, with strong positions in its three core activities:

- ▶ Retail Banking
- ▶ Corporate and Investment Banking
- ▶ Investment Solutions

## LONG-TERM CREDIT RATING

**Standard & Poor's : A+**

Negative outlook -  
rating revised on 25 October 2011

**Moody's : A2**

Stable outlook -  
rating revised on 21 June 2012

**Fitch : A+**

Stable outlook -  
rating confirmed on 10 October 2011

## RATINGS

→ **17<sup>th</sup>** largest European business all sectors combined<sup>(1)</sup>

→ **No. 1** euro-zone bank<sup>(1)</sup>

→ **No. 1** banking brand in Europe<sup>(2)</sup>

→ **8<sup>th</sup>** ranked global banking brand<sup>(2)</sup>

(1) Based on 2011 net income attributable to equity holders, European classification based on the universe of Stoxx 600 index stocks

(2) Source: Brand Finance Banking 500 - February 2012

## KEY FIGURES

(AT 31 DEC. 2012)

Revenues of

EUR  
**39.1**  
billion

(down 7.8% on 2011)

Gross operating income of

EUR  
**12.5**  
billion

(down 23.3% on 2011)

Net income attributable to equity holders

EUR  
**6.6**  
billion

(up 6.5% on 2011)

Return on equity of

**8.9%**

(up 0.1 pts on 2011)

Market capitalisation of

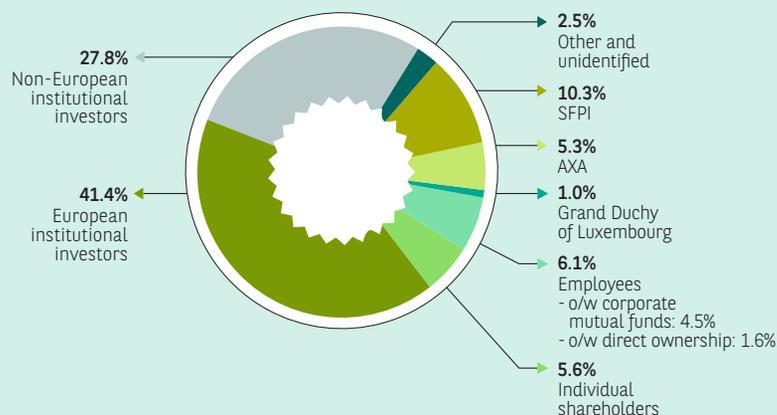
EUR  
**53.4**  
billion

(up 45.5% on 2011)

Source: Bloomberg.

## BNP PARIBAS OWNERSHIP STRUCTURE AT 31 DECEMBER 2012

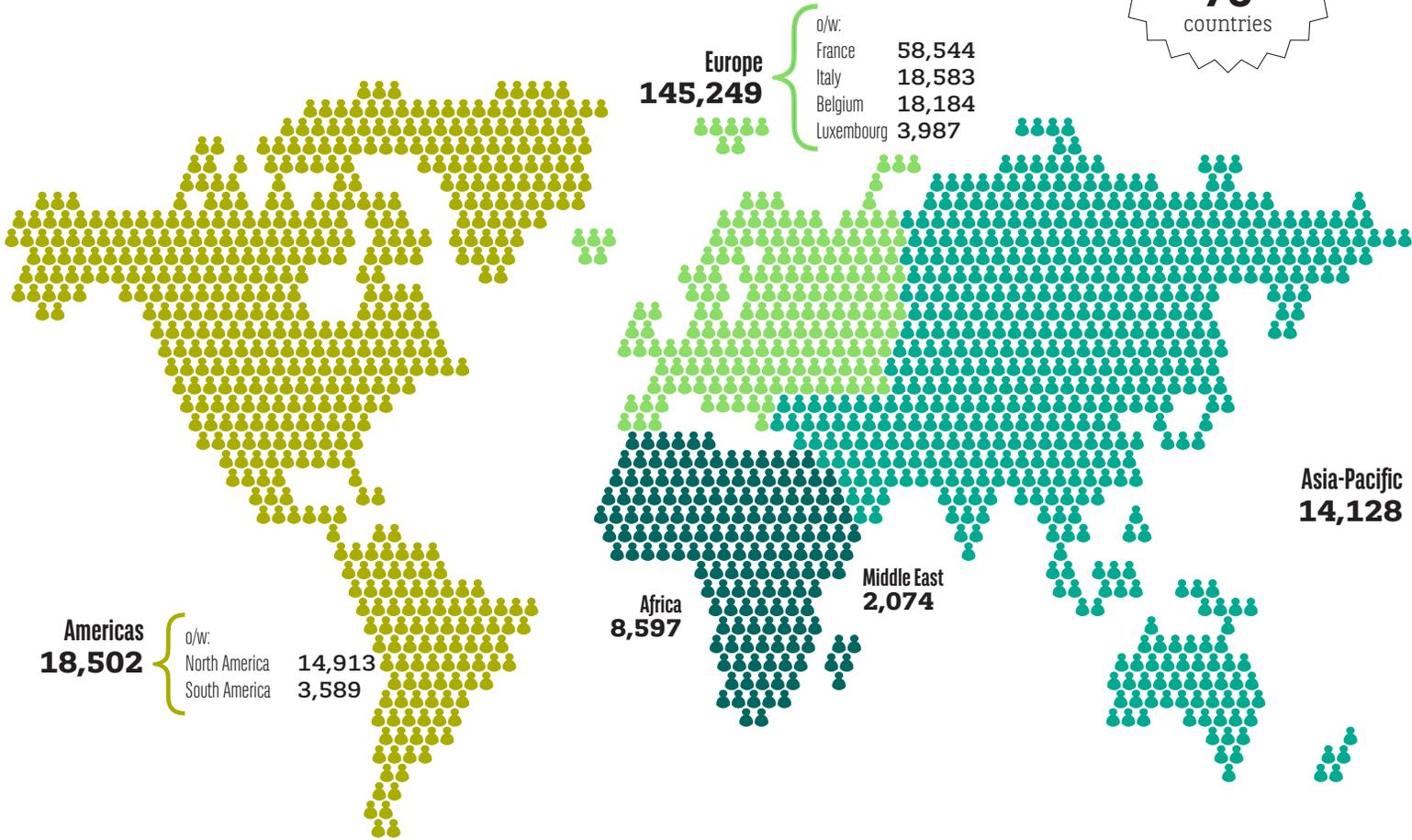
(BASED ON VOTING RIGHTS)



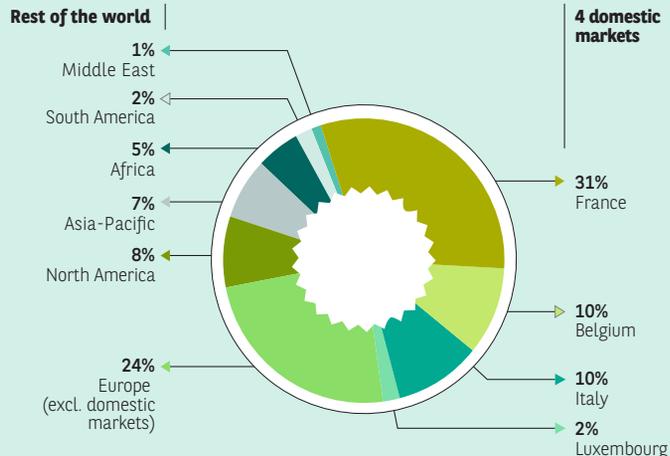
# WITH YOU AROUND THE WORLD

BNP Paribas operates in 78 countries and has close to 190,000 employees, including over 145,000 in Europe. The Group is firmly anchored in Europe with operations in four key domestic markets: France, Italy, Belgium, and Luxembourg, and BNP Paribas Personal Finance is the no. 1 in personal finance. BNP Paribas also operates an integrated retail banking model in countries around the Mediterranean basin, in Turkey, in Eastern Europe and via a large network in the Western United States. Its Corporate and Investment Banking (CIB) and Investment Solutions (IS) businesses are among the leaders in Europe and boast a solid foothold in the Americas, as well as a robust and rapidly-growing presence in Asia.

Close to  
**190,000**  
employees in  
**78**  
countries

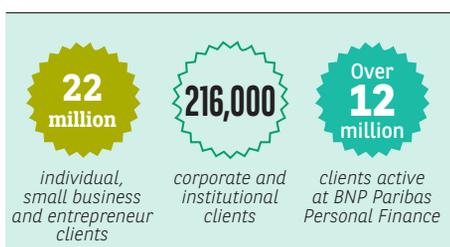


## BREAKDOWN OF THE WORKFORCE BY GEOGRAPHICAL REGION (%)



# A portfolio of businesses geared to the needs of our customers

## RETAIL BANKING



At end-2012, BNP Paribas' retail banking operations consisted of:

- **DOMESTIC MARKETS**, bringing together BNP Paribas' retail banking operations in France (FRB), Italy (BNL bc), Belgium (BNP Paribas Fortis) and Luxembourg (BGL BNP Paribas), as well as three specialised businesses: Arval (automotive vehicle fleet leasing with associated services), BNP Paribas Leasing Solutions (from equipment financing to fleet outsourcing solutions) and BNP Paribas Personal Investors (online savings and brokerage specialist). In addition, Wealth Management continues to develop its private banking model in the domestic markets. Lastly, Cash Management and Factoring round out the

range of services provided to corporate clients anchored around the "One Bank for Corporates in Europe and Beyond" concept, in harmony with the CIB segment's Corporate Banking.

- **International Retail Banking (IRB)**, bringing together BNP Paribas' retail banking operations in 15 countries outside the euro zone. IRB has three specialised businesses:
  - Retail Banking, serving close to 7 million clients via multi-channel local networks (including 3,000 branches);
  - Wealth Management, with 20,000 clients and dedicated services;
  - Dedicated activities for corporate clients, providing local access to all of BNP Paribas' products and services and support in all the countries in which the Group is present, in particular via a network of 83 Business Centres, 22 Trade Centres and 16 MNC Desks.
- **BNP Paribas Personal Finance**, with over 12 million active clients. BNP Paribas Personal Finance is the BNP Paribas Group's specialist in personal loans through its consumer credit activities. In addition, BNP Paribas Personal Finance also provides mortgage loans.

## INVESTMENT SOLUTIONS



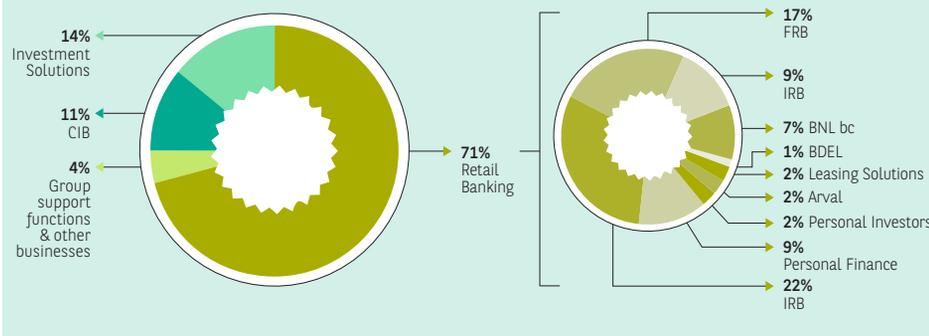
Investment Solutions combines BNP Paribas' activities related to the collection, management, development, protection and administration of client savings and assets. It offers a broad range of high value-added products and services around the world, designed to meet all the requirements of individual, corporate and institutional investors.

Investment Solutions comprises five business lines, with highly complementary expertise:

- Insurance - BNP Paribas Cardif (7,540 employees, 38 countries, EUR 170 billion in assets under management);
- Securities services - BNP Paribas Securities Services (7,830 employees, 32 countries, EUR 1,010 billion in assets under administration, EUR 5,524 billion in assets under custody);
- Private banking - BNP Paribas Wealth Management (6,070 employees, 28 countries, EUR 266 billion in assets under management);
- Asset management - BNP Paribas Investment Partners (3,340 employees, 40 countries, EUR 405 billion in assets under management);
- Real estate services - BNP Paribas Real Estate (3,120 employees, 36 countries, EUR 13 billion in assets under management).

In total, Investment Solutions is present in 70 countries with around 25,650 employees.

## BREAKDOWN OF WORKFORCE BY BUSINESS



All the Investment Solutions businesses hold leading positions in Europe, where they operate in the key domestic markets of the BNP Paribas group (France, Italy, Belgium, Luxembourg) and in Switzerland, the United Kingdom and Germany, among others. Investment Solutions is also actively working to further its international development in high-growth regions such as the Asia-Pacific, Latin America and the Middle East, where the businesses are expanding their activities—through new operations, acquisitions, joint ventures and partnership agreements.

## CORPORATE & INVESTMENT BANKING



BNP Paribas Corporate & Investment Banking (CIB) employs slightly more than 19,000 people across close to 45 countries. BNP Paribas CIB provides its clients with corporate banking, advisory and capital markets services. In 2012, BNP Paribas CIB contributed 25% of the BNP Paribas group's revenues and 29% of its pre-tax net income.

BNP Paribas CIB's 15,000 clients, consisting of corporates, financial institutions and investment funds, are central to BNP Paribas CIB's strategy and business model. Staff's main aim is to develop and maintain long-term relationships with clients, to support them in their expansion or investment strategy and provide global solutions to their financing, advisory and risk management needs. With a strong base in Europe and major ambitions, particularly in Asia and North America, BNP Paribas CIB has positioned itself as the leading European partner for numerous corporate and institutional clients right around the world. To plan ahead for impending changes in regulations and new funding constraints, BNP Paribas CIB implemented a plan in late 2011 to reduce its asset base and its financing requirements in US dollars.

At the same time, it set about transforming its business model to continue supporting its clients' development. To this end, BNP Paribas has developed an Originate to Distribute model combining strong origination and distribution capabilities to reconcile investors' return requirements with demand among clients for financing, by creating distinctive investment solutions. By late 2012, BNP Paribas CIB had become one of the leading industry players following the completion of this adjustment plan with its diversified product range and global geographical base. This positioning was rewarded with the prestigious Bank of the Year award, bestowed on BNP Paribas by IFR (International Financing Review) in December 2012.

### >> OTHER BUSINESSES

#### > BNP PARIBAS PRINCIPAL INVESTMENTS

BNP Paribas Principal Investments manages the BNP Paribas Group's portfolio of listed and unlisted investments with a view to enhancing the value of assets in the medium term.

#### > KLÉPIERRE

Klépierre, a major player in retail property in Europe, has expertise in real estate development, rental management and asset management. BNP Paribas was Klépierre's majority shareholder until 8 March 2012 when the Group sold a 28.7% interest in Klépierre SA to Simon Property Group. At 31 December 2012, BNP Paribas held a 22.0% stake, second only in size to that held by the Simon Property Group.

*In 2012, BNP Paribas published its Responsibility Charter stating the commitments the Bank must keep to earn the trust of its customers and sets out how the Group sees its economic, social, civic and environmental responsibility. It has been translated into eight languages and distributed to all BNP Paribas employees and to a large number of its clients. In France, it was sent out with account statements to individual and business customers (4.5 million copies) and put online on the [www.bnpparibas.net](http://www.bnpparibas.net) web site (2 million visitors per months).*

# The BNP Paribas Responsibility CHARTER

## Our Mission, Our Responsibility

**T**he BNP Paribas group is the product of successive bank mergers which first began to make their mark on European economic history back in the 19<sup>th</sup> century. Driven by a strong tradition of service provided to individual people and businesses alike, and deeply rooted in our various countries of origin, BNP Paribas is at the same time the bank for a changing world. BNP Paribas' number one asset is the confidence that our clients place in us, which has been built up over time. We, as management, lead and steer the Group in accordance with the basic commitments that are essential if we are to deserve that trust and confidence.

◀

**Remaining true  
to our primary mission:  
long-term service  
to our clients**

**B**NP Paribas' primary vocation is to serve our clients, creating long-term relationships and helping them to fulfil their plans and projects. On the one hand, we are there to help ordinary people manage their finances and savings on a

day-to-day basis and on the other we are the banking partner of choice for many companies of all sizes, and for institutional clients.

**BNP Paribas is active in three major areas of banking and our people in these three areas work together on a daily basis with one major goal in mind: the success of our clients.**

**Retail Banking**, which represents over 50% of the Group's business, provides banking services close to the customer, via multichannel networks—comprising physical branches, Internet and Mobile banking—which are strongly rooted in the local markets, with staff who possess in-depth knowledge of the local culture and the local economy. BNP Paribas' Retail Banking division channels all funds deposited by customers into its lending activities, providing loans and credit lines to people, companies, non-profit bodies and other borrowers. The Group also provides a range of specialised retail banking services designed to serve the needs of commerce and industry, such as consumer credit, office and equipment leasing and fleet lease services.

**Corporate & Investment Banking (CIB)**, which accounts for around 1/3 of Group turnover, does business all over the world. BNP Paribas CIB aims to be a long-term strategic partner to its clients, who range from major corporations to small or medium-sized

businesses and include insurance companies, governments, banks and investment companies. Our CIB division works with clients both in the daily management of their finances and cash flow and on their longer-term strategy and development plans. CIB meets their financing needs—including via the capital markets— and their capital investment and risk management requirements, in addition to providing advisory services.

**Investment Solutions**, which is present in 70 countries, consists of a range of complementary business lines including insurance, wealth management, real estate services and technical services for investors. The Investment Solutions division develops innovative products and services for clients of the other Group businesses but also possesses its own distribution channels.

**In order to be able to carry out these various missions in a context of sharply rising regulatory capital requirements, BNP Paribas doubled its capital base between 2009 and 2012. While fulfilling our duty to deliver regular returns to our shareholders, the Bank nevertheless retains and reinvests the major part of its profits each year so as to strengthen an already solid financial position and increase our capacity to meet customer demand for credit.**

Being prepared to take risks, while ensuring close risk control

Financing the economy, supporting projects, helping clients to manage their currency or interest rate exposure—all this means accepting a degree of risk. One of BNP Paribas' great strengths is precisely this expertise in managing risk. The Group believes that tight risk control is its clear responsibility, whether in relation to its clients or to the financial system as a whole. The Bank's decisions on the commitments it makes are reached after a rigorous and concerted process, based on a strong shared risk culture which is present across all levels of the Group. This is true both for risks linked to lending activities, where loans are granted only after in-depth analysis of the borrower's situation and the project to be financed, and for market risks arising from transactions with clients, which are assessed on a daily basis, tested against stress scenarios and subject to a scale of limits. As a strongly diversified Group, both in terms of geography and businesses, BNP Paribas is able to balance risks and outcomes as soon as they materialise. The Group is organised and managed in such a way that any difficulties arising in one business area will not jeopardise the Bank's other business activities.

Following a strict business ethic

At BNP Paribas, loyalty to our clients is a fundamental principle. Each and every one of the Group's employees strives wholeheartedly to help our clients achieve success, taking care of their interests while protecting those of the Bank. Savings, loans, insurance, payment systems—whatever the product, no BNP Paribas staff member would ever offer a customer a product knowing that the transaction would not be in his/her true interests. BNP Paribas will 'go the extra mile', taking a supportive attitude to clients if they should ever get into difficulties and looking to the future beyond the current crisis. The Group plays a strong role in the economies of a number of countries and sees itself as having a special role in our 'domestic' markets—France, Belgium, Italy and Luxembourg.

The Group measures Customer Satisfaction across all business lines and we regularly adjust our Quality policy to ensure that our ratings remain high in this area. Nevertheless, as the saying goes: "to err is human". A bank is composed of men and women who strive to do their jobs as well as possible but who may of course sometimes make mistakes. When this happens, BNP Paribas is prepared to admit its errors and seeks to remedy any unfavourable consequences for the client. BNP Paribas' business ethic is also demonstrated in our unwillingness to work with any client or organisation that is involved in fraud, corruption or illicit dealings. Accordingly, BNP Paribas has withdrawn from all locations designated as tax havens by the OECD.

Being a responsible bank

In all the regions where the Group does business, it is closely involved in the local community of which it is a part. First of all the Bank lives up to its economic responsibilities as outlined above, working to finance clients' projects. In addition, BNP Paribas recognises that it has responsibilities in three other areas:

**Employer responsibility:** this means treating the Group's 190,000 employees in a fair and loyal manner and engaging in serious and meaningful dialogue with staff union representatives. BNP Paribas recruits and trains some tens of thousands of new staff each year, several thousand of these in France. The Group has made a strong conscious decision to foster diversity in all its forms, including setting precise objectives for promoting women. BNP Paribas' employment policy includes prioritising internal job mobility and training. We recognise that we have a particular responsibility in our four 'domestic' markets, where our size and range of activities and our innovative labour relations policies have always enabled us to avoid any forced redundancies.

**Civic responsibility,** helping to combat social exclusion and promoting education and culture. The Group has a strong stake in society, through initiatives and projects which take its banking role one step further for the good of society: special assistance for underprivileged neighbourhoods and marginalised areas, microcredit, support for charitable organisations and social economy enterprises. Our civic engagement is also manifested in the corporate philanthropy work done by the BNP Paribas Foundation, whose charity initiatives include

educational, cultural and public health projects. An overall annual budget of close to EUR 39 million is devoted to these activities, half of this to social projects and education.

Environmental responsibility:

BNP Paribas takes great care over the environmental impact resulting from its banking activities all over the world. The Group has drawn up and implemented detailed policies relating both to its day-to-day functioning and to sensitive fields of industry, and supports environmental initiatives through the BNP Paribas Foundation.

Motivated by the values of commitment, ambition, creativity and responsiveness, managed in accordance with a clear set of management principles—Client Focus, Risk-Aware Entrepreneurship, People Care and Lead by Example—and inspired to the highest business ethic by the Group's code of conduct, BNP Paribas people strive each day to ensure successful outcomes for all those who place their trust in the Bank and for the good of society. We are proud to be a responsible bank and we take great pride in our profession. That's our vision for the bank.



Baudouin Prot
Chairman



Jean-Laurent Bonnafé
Director and Chief Executive Officer



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Our vision of CSR

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Four pillars, 12 commitments

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Implementation of CSR

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Governance supporting a long-term strategy

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Our stakeholders



# OUR RESPONSIBLE APPROACH

## Structure BNP Paribas' responsible engagement

### PROGRESS ACKNOWLEDGED BY EXTRA-FINANCIAL RATING AGENCIES

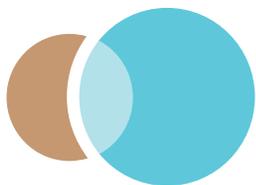
*BNP Paribas has very high rankings in the authoritative CSR indices.*



**in the banking sector for CSR in the** Vigeo World 120 Index. **All sectors combined, BNP Paribas ranks 4<sup>th</sup> in France, 11<sup>th</sup> in Europe and 12<sup>th</sup> globally in terms of CSR commitment.**



*In keeping with its Responsibility Charter, which sets out its commitments to its customers, BNP Paribas wanted to step up its efforts as a responsible bank vis-à-vis its other stakeholders. It has thus structured its CSR policy around four pillars—economic, social, civic and environmental—which translate into 12 commitments.*



BNP Paribas is the only French bank included in the Dow Jones Sustainability Indexes.

**BNP Paribas is also included in other benchmark indices such as the Ethibel Sustainability Index (Excellence Global and Excellence Europe), Aspi, the FTSE4Good Index Series and the Stoxx Global ESG Leaders Index.**



*The Group's carbon reporting was rated 86/100 by the Carbon Disclosure Project in 2012.*

# Our vision of CSR

*BNP Paribas has designed its corporate social responsibility policy as an extension of its core business and manages its commitments with the same high standards and professionalism as the Group conducts its commercial activities. It achieved further progress during 2013 by setting targets for 2015 concerning 13 key indicators and factoring extra-financial criteria into the bonuses payable to 5,000 Group managers.*

**François Villeroy de Galhau**  
BNP Paribas' Chief Operating Officer  
in charge of Domestic markets  
and CSR

“  
We have not merely  
jumped on the CSR  
bandwagon: we are  
truly committed to  
the cause and we take  
it very seriously.”



**B**eing a bank that delivers strong results is vitally important. And so is being a responsible bank that keeps its commitments. At BNP Paribas, we are well aware that meeting the major corporate social responsibility goals we have set will be a challenge. And CSR can sometimes even fuel suspicions, with people questioning our motives on two counts.

Firstly, do we really mean what we say? Isn't this all about repairing the bank's tarnished image? We have certainly taken even the most unfair criticism seriously since the seemingly never-ending financial crisis first set in. But no, we have not simply jumped on the CSR bandwagon. Our credibility would be shot to shreds very rapidly if social washing were our game. In fact, our project is the very opposite of a showpiece, since our CSR commitments make sense only if they are an extension of our core business. Our *Projet Banlieues* project is credible precisely because we are the leading retail bank active in the suburbs of French cities. Our commitment of over EUR 100 million to microfinance and social entrepreneurship in Europe and around the world is a continuation of our efforts to provide financing for businesses and families. Our solidarity-based management of employees' jobs is especially valuable because we have been called upon to carry out challenging internal restructuring.

That brings us to the second question about our motives: are we serious about CSR? What role does CSR play in our objectives and our reporting? We have worked very hard on this area over the past two years so that we are able to measure our progress with the same degree of professionalism and high standards as our business performance. Our Executive Committee has drawn up 13 key indicators and set goals for 2015. Long-term executive pay will now be indexed partly to the degree of attainment of these objectives. Even more significantly, we talk a great deal about being a responsible bank within the organisation. BNP Paribas' 190,000 employees are the key custodians of our high standards because they are most sensitive to our values and the Responsibility Charter published in 2012.

This charter is now backed up by new governance-related commitments to make sure that our strategy is set for the long term - unmoved by fleeting fads or market exuberance. Of course, BNP Paribas is by no means perfect, but we can all make mistakes and then we take action to correct them. We want to make it a "great place to work", where major ambitions sit alongside high ethical standards. So, yes, we really take CSR seriously.

# A RESPONSIBLE BANK

## 4 PILLARS AND 12 COMMITMENTS

### OUR 4 PILLARS

#### Our ECONOMIC responsibility

Financing the economy in an ethical manner

#### Our SOCIAL responsibility

Pursuing a committed and fair human resources policy

#### Our CIVIC responsibility

Combating exclusion, promoting education and culture

#### Our ENVIRONMENTAL responsibility

Combating climate change

### OUR 12 COMMITMENTS

1

Long-term financing for the economy

2

Business ethics

3

A range of responsible products

4

Recruitment and training

5

Diversity

6

Solidarity-based employment management

7

Efforts to combat exclusion and support social entrepreneurship

8

Corporate philanthropy policy focused on education, health, culture and solidarity

9

Compliance with the UN Guiding Principles on Human Rights

10

Financing policy commitments in sensitive sectors

11

Reduction in the environmental footprint associated with our own operations

12

Support for research aimed at combating climate change

### OUR GOVERNANCE

#### Governance supporting a long-term strategy for the BNP Paribas Group

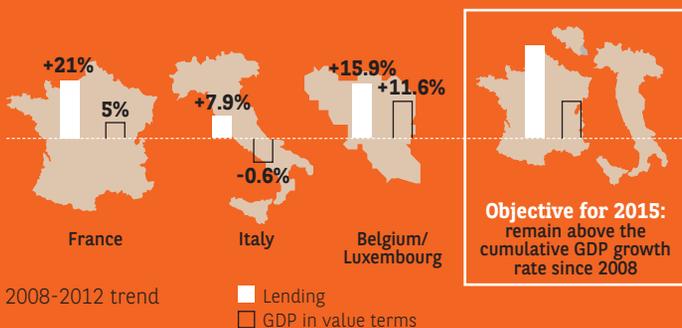
- Best practice in governance
- A stable executive team that guarantees long-term deployment of strategic objectives
- Compensation policy aligned with the long-term interests of the BNP Paribas Group

# Our management indicators

BNP Paribas manages its CSR policy for the period to 2015 using 12 indicators covering the four pillars of its strategy. A 13<sup>th</sup> indicator reflects employees' opinion of the Group's CSR policy.

## OUR ECONOMIC RESPONSIBILITY

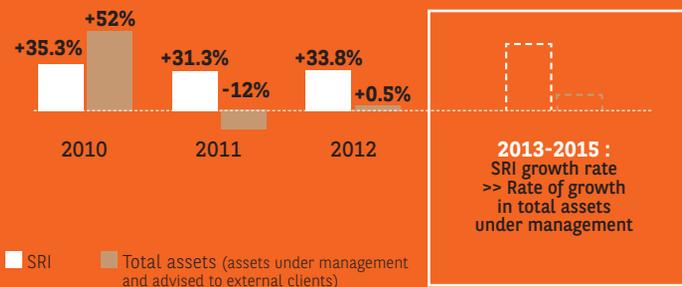
### Cumulative growth rate in lending since 2008



### Overall satisfaction scores for individual customers\* in the four domestic markets

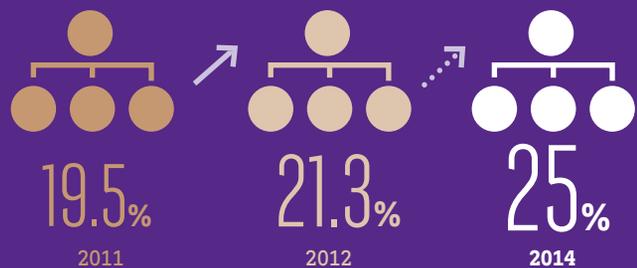


### Annual rate of growth in socially responsible assets under management (SRI)



## OUR SOCIAL RESPONSIBILITY

### Proportion of women appointed to senior management



### Proportion of employees with a positive opinion regarding implementation by the Group of the four management principles

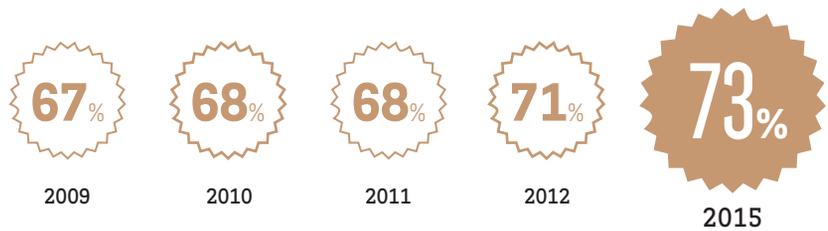


### Number of movements between units and business lines



## EMPLOYEES' OPINION

Proportion of employees with a positive opinion concerning how the Group exercises its corporate responsibility



## OUR CIVIC RESPONSIBILITY

Amount of the Group's support for social entrepreneurship and microfinance



in 2012



2013-2015 at comparable structure

Number of people who attended financial education programmes designed and/or run by the Bank



Size of the annual BNP Paribas Group's corporate philanthropy budget



in 2012



2013-2015

## OUR ENVIRONMENTAL RESPONSIBILITY

Proportion of employees trained online in sectoral policies



2012



2015

\*employees directly involved in implementing policies.

Greenhouse gas emissions footprint (tCO<sub>2</sub> equivalent/employee)



Total (internal and customer) paper consumption per employee



# Implementation of CSR: 130 officers around the world



▶ A network of 130 CSR officers was set up across the Group's divisions, business lines, networks, functions and subsidiaries in order to facilitate implementation of the CSR policy in all the activities and countries where the Group has a presence. The CSR managers are Executive Committee members at their respective units, which ensures that CSR is part and parcel of their strategy. The Group's 130 CSR officers first met together in late 2012, for a seminar devoted to training and the exchange of best practices on how to implement the Group's CSR strategy.

Initially set up in 2012, the network of CSR officers in key geographical regions for BNP Paribas implements the CSR policy structured around four pillars and 12 commitments, with adaptations to specific local characteristics.



# Implementation of CSR: organisation-wide commitment

## >> BUSINESS LINES



**Daniel Astraud**  
International Retail  
Banking



**Patrick Bader**  
Corporate  
& Investment  
Banking



**Silvia Arto**  
Investment  
Solutions



## >> FUNCTIONS



**Luc Jeunhomme**  
Risk Management



**Emmanuelle Scelles**  
Human Resources



**Chiara Contartese**  
Procurement



**Michel Hue**  
Real Estate



**Claire Bochard**  
Finance

## >> SUBSIDIARIES



**Karine Rifai**  
BNP Paribas  
Leasing Solutions



**Daniel Gonzalez**  
BNP Paribas  
Securities Services



**Catherine  
Godart-Guyonnet**  
Arval



**Thibault Couturier**  
BNP Paribas  
Wealth Management



**Marc Tentillier**  
BNP Paribas Cardif



**Mariane Huvé-Allard**  
BNP Paribas  
Personal Finance



**Catherine Papillon**  
BNP Paribas  
Real Estate



**Anthony Finan**  
BNP Paribas  
Investment Partners



**Sandrine Ferré**  
BNP Paribas  
Personal Investors

With 190,000 employees in 78 countries working in a wide array of different business lines and support functions, BNP Paribas has had to introduce a special organisation to roll out its CSR policy.

“ Our main challenge is to ensure that our commitment is built around the same priorities everywhere. ”

**How do you implement the CSR policy structured around its four pillars right across the Group?**

We draw on the support of a network of 130 employees, which was finalised in 2012. We now have officers in all our domestic markets and also across all our subsidiaries, functions and principal geographical regions in which the Group is present. Today, our main challenge is to ensure that our commitment to act responsibly is built around the same priorities, right around the world and across every business line.

**What are the characteristics of this network?**

It forms a broad community and reflects the Group's diversity, and the size of teams, the profile of our officers, their experience in CSR issues vary from one unit to another. Even so, all CSR officers sit on the

executive committee of their respective unit or report directly to one of its members, safeguarding a strategic approach to these issues. CSR committees have also been set up in the majority of units bringing together all the relevant support functions and business lines and chaired in most cases by the head of the unit. That is something we encourage.

**How do you run this network?**

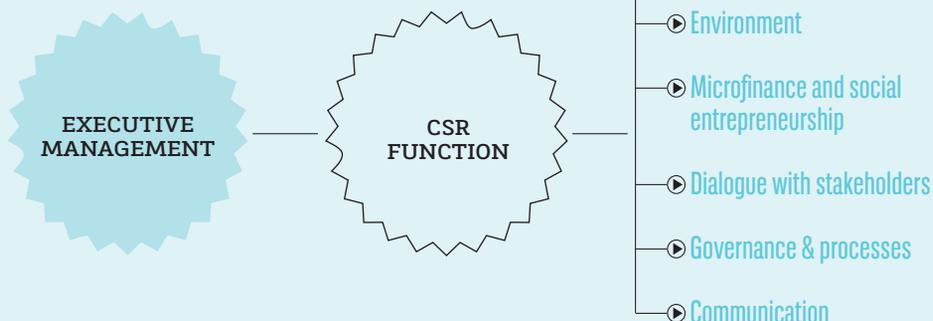
We brought together the entire CSR organisation for the first time in late 2012 at a seminar devoted to training and sharing best practices. We intend to continue this approach during 2013 by providing a regular flow of information to members of the network and also by offering them a distance training programme covering a broad range of CSR themes.



**Laurence Pessez**  
Head of BNP Paribas  
Corporate Social  
Responsibility Delegation

**>> CSR TAKEN TO THE HIGHEST LEVEL IN THE ORGANISATION**

*In 2012, CSR became a Group function overseen by François Villeroy de Galhau, Group Chief Operating Officer. The goals and responsibilities of the CSR Function, a 13-strong team based at the Group's headquarters, are clearly defined in a directive from Executive Management.*



# Governance supporting a **long-term strategy** for the BNP Paribas Group

*BNP Paribas' corporate governance, which safeguards the Bank's long-term interests, represents the foundation of its commitment to act responsibly.*

## BEST PRACTICE IN GOVERNANCE

### **Clear separation of powers between the Chairman of the Board of Directors and the Chief Executive Officer**

The roles of Chairman and Chief Executive Officer have been separated since 2003, and no Executive Committee member has sat on the Board's Committees since 1997. The Chairman ensures that the Board discharges its duty of representing the interests of all the shareholders, steadfastly, over the long term and independently of all interests, including those of the Group's senior management. It makes sure that best practices in corporate governance are observed. The role of the Chief Executive Officer and Chief Operating Officers is to propose the Group's strategy to the Board and then to assume responsibility for managing the Group's affairs and steering its performance. This form of governance structure, which ensures the independence of the functions, makes for more efficient operation of the executive bodies and of the Board of Directors.

### **An independent and representative Board of Directors**

Directors are appointed for a renewable three-year term. At present, six of the 16 members of the Board of Directors are women, and five nationalities are represented. Eleven of the directors are independent. This percentage comfortably complies with the market recommendations concerning corporate governance requiring at least half of the members of the Board of Directors to be independent. Lastly, two directors represent the interests of the Bank's employees on the Board.

### **An Audit Committee with a majority of independent members**

The duties of the Audit Committee, which was set up in 1994, have been shared out between a Financial Statements Committee, solely comprising qualified independent members, and an Internal Control, Risk Management and Compliance Committee, with independent experts accounting for two-thirds of its members.

### **Voting rights that guarantee protection of the interests of all shareholders**

Voting rights and the amount of dividends received are calculated as a proportion of the capital held by the shareholder on a "1 share, 1 vote, 1 dividend" principle. There are no double voting rights and no voting limits. These arrangements underpin shareholder democracy.

## A STABLE EXECUTIVE TEAM THAT GUARANTEES LONG- TERM DEPLOYMENT OF THE GROUP'S STRATEGIC OBJECTIVES

The length of service of the Group's experienced team of senior executives, consisting of Jean-Laurent Bonnafé (20 years with the Bank), Georges Chodron de Courcel (over 30 years' service), Philippe Bordenave (28 years with the Bank) and François Villeroy de Galhau (10 years' service), underpins their extensive knowledge of BNP Paribas and demonstrates their unity of purpose in striving to promote the Bank's interests.

Advance planning and preparations are made for the transition between two long-serving Chief Executive Officers (e.g. 10 years for Michel Pébureau after taking over at BNP's helm and eight years for Baudouin Prot) to ensure a smooth handover. This approach ensures the continuity of the Bank's management and consistent pursuit of its key strategic objectives for BNP Paribas and all its stakeholders.

This long-term management of the senior executive team paid off during the financial crises over the past few years, since BNP Paribas' management has never been called into question either by the regulator or by shareholders.

## COMPENSATION POLICY ALIGNED WITH THE LONG-TERM INTERESTS OF THE BNP PARIBAS GROUP

### Transparency and controls on executive bonuses

The bonuses paid to executive officers are determined based on:

- measurable, quantitative criteria linked to the Group's performance (earnings per share, net income before tax, for example);
- qualitative criteria linked to managerial performance, including the ability to anticipate, make decisions, execute the Group's strategy and prepare its future development.

Payment of 60% of these bonuses is deferred over three years. They are subject to performance conditions at Group level and 50%-indexed to the share price. As a result, the executive bonus pool was reduced by 25% in 2011 by comparison with 2010, while BNP Paribas Group's earnings declined by 23% over the same period.

### Transparency and controls on the bonuses for employees whose work significantly impacts the Group's risk profile <sup>(1)</sup>

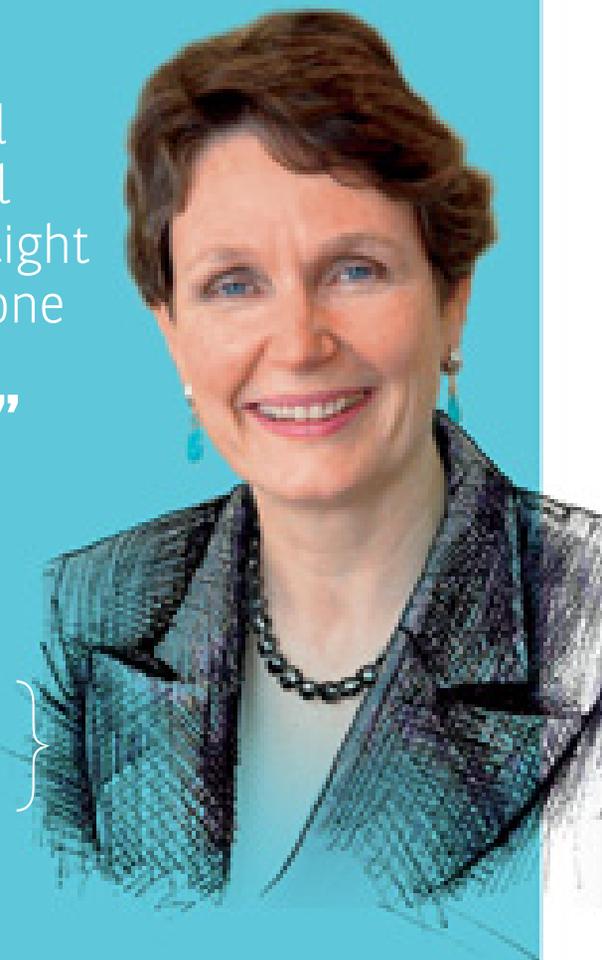
The bonus policy for so-called regulated employees is controlled and aligns the interests of employees with the long-term interests of the Group and its shareholders, in particular by deferring payments over several years. Every year, the Group publishes the compensation paid in respect of the previous financial year to regulated employees on its web site ([www.bnpparibas.net](http://www.bnpparibas.net)).

(1) Regulated employees.

“

The balance between a bold entrepreneurial approach and tight risk control is one of the reasons for its success.”

**Daniela Weber-Rey**  
Partner at Clifford Chance  
*Member of BNP Paribas' Board of Directors*



### What do you think about BNP Paribas' CSR policy

BNP Paribas' commitment to acting as a responsible bank is not a new development, and that is what gives it its full significance. BNP Paribas has always viewed providing support to the real economy as its core mission. This very strong emphasis on economic development lies at the heart of its role, which consists in meeting the expectations of all its stakeholders—not only those of its shareholders. Another key aspect is risk management from a long-term perspective, which is genuinely part of the Bank's DNA, and the balance between a bold entrepreneurial approach and tight risk control is one of the reasons for its success.

What's more, BNP Paribas pays considerable attention to dialogue with its main stakeholders, be they shareholders via the Shareholder Liaison Committee, or its clients via the dialogue mechanisms introduced in retail banking.

### How would you suggest strengthening this commitment?

BNP Paribas could foster further engagement by its employees in line with the Group's values, as it has already done in sensitive districts and with its support for microfinance, for example. Lastly, one of its major challenges as a leading euro zone bank operating in close to 80 countries is injecting real cultural diversity into its management team.

# Compliance with **good corporate governance criteria**

Good corporate governance criteria	BNP Paribas corporate governance	
<b>Board of Directors</b>		
<b>Membership of the Board</b>	<b>16 directors, of whom:</b> -14 are elected by shareholders and 2 by the employees. - 5 different nationalities. - 11 independent directors. - 6 women. The roles of Chairman and Chief Executive Officer are separated.	
<b>Directors' term of office</b>	3 years.	
<b>Board meetings and average attendance</b>	8 full meetings and 1 strategy meeting. Average attendance rate of 97%.	
<b>Annual assessment of Board and Board Committee practices</b>	Annual assessment based on an anonymous questionnaire covering the Board's organisation, practices and procedures (46 questions grouped under 10 headings, with a rating scale).	
<b>Dividend</b>	At the Annual General Meeting on 15 May 2013, the Board of Directors will recommend a dividend of EUR 1.50 per share, representing a decrease of 25% on 2012. The total payout proposed will amount to EUR 1,863 million compared with EUR 1,449 million in 2012 (representing an increase of 28.6%). The dividend payout ratio is 29.7% <sup>(1)</sup> . The Group's objective is to adjust the dividend to reflect variations in income and to optimise management of available capital.	
<b>Board Committees</b>		
	<b>Number of members (number of independent members)</b>	<b>Number of meetings (attendance rate)</b>
<b>Financial Statements Committee<sup>(2)</sup></b>	<b>5 members at end-2012</b> The Committee is made up of four independent directors, representing a rate of 80%, and a majority of its members have experience and skills in financial management, accounting and financial reporting.	6 meetings 100%
<b>Internal Control, Risk and Compliance Committee<sup>(2)</sup></b>	<b>4 members at end-2012</b> A two-thirds majority of Committee members comprises independent directors. A majority of members are independent directors and have extensive expertise in finance and risk management through their professional training or experience.	6 meetings 100%
<b>Corporate Governance and Nominations Committee</b>	<b>3 members at end-2012</b> Independent directors account for two-thirds of the Committee members. Its members are well versed in corporate governance and senior management issues in international companies.	3 meetings 100%
<b>Compensation Committee</b>	<b>3 members at end-2012</b> All members are independent directors and have experience in compensation systems and market practices in this field. Each member also belongs either to the Financial Statements Committee or the Internal Control, Risk Management and Compliance Committee, to ensure compensation principles are in line with the risk management policy.	6 meetings 100%
<b>Annual General Meeting of shareholders</b>		
<b>Best practices</b>	- Commitment by directors to put their office at the Board's disposal in the event of a significant change in their duties or appointments. - One share gives the right to one vote and to one dividend, and there are no double voting rights, and there are no voting limits. - There are no poison pill defences against cash or share offers. - Shareholders may vote using the internet prior to the AGM. - Results are released immediately with details of the quorum after the AGM.	
<b>Annual General Meeting of 23 May 2012</b>	12,079 shareholders voted, representing 773,018,067 shares. Attendance rate of 64.86%.	

(1) Payout proposed at the Annual General Meeting of the Shareholders on 15 May 2013 as a proportion of net income attributable to equity holders.

(2) The duties of the Audit Committee, which was set up in 1994, have been shared out between a Financial Statements Committee and an Internal Control, Risk Management and Compliance Committee.

## >> Further information about BNP Paribas corporate governance.

Further information on the membership and practices of the Board of Directors and the Executive Committee, executive compensation and other aspects of corporate governance can be found in section 2 of the 2012 Registration Document. In addition, details of executive compensation and employee benefits are provided in the notes to the financial statements included in the Registration Document.

# Dialogue with stakeholders

*BNP Paribas keeps in close touch with its stakeholders and the Group's CSR strategy takes them into account.*

**E**mployees' views on the environmental and social responsibility of their company are assessed each year in the Group's internal survey (173,835 employees surveyed in 2012, with a 71% response rate). In 2012, 71% of employees had a favourable view of the way their company exercises its responsibility, and this rate has been growing steadily since 2009.

#### **BNP Paribas encourages its suppliers**

to embrace its vision of corporate social responsibility. They are asked to answer a questionnaire in order to evaluate their own social and environmental performance. At the end of 2012, more than 700 analyses of supplier CSR performance had been conducted during calls for tender issued by the central team of the Group Procurement department via its e-sourcing platform. During 2012, six referrals were made to the BNP Paribas internal mediator for supplier relations.

LIMITED ASSURANCE

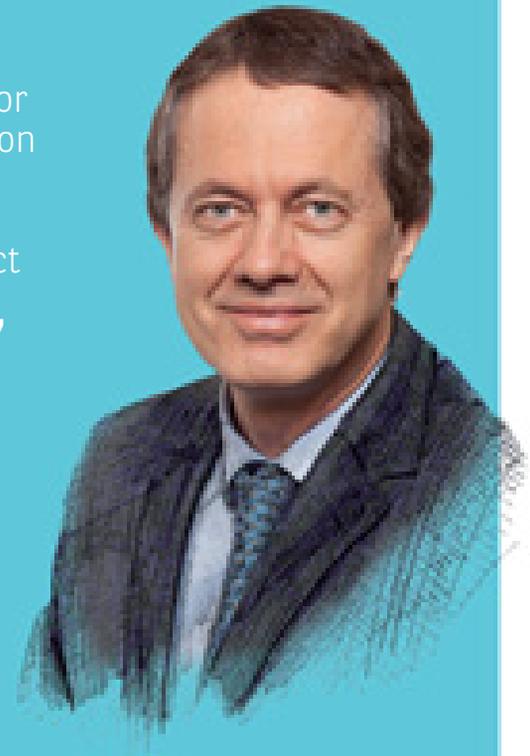
**BNP Paribas meets SRI investors several times a year** (29 meetings in 2012), to present the Group's CSR strategy, and it regularly updates extra-financial analysts on latest developments.

**BNP Paribas maintains a dialogue with numerous NGOs** throughout the world. In 2012, there were 10 meetings between the head-office CSR team and NGOs. More than 30 dialogue subjects were on the agenda in 2012, in areas such as the environmental impact of financing provided by the Group, the financing and investment policies published and applied by BNP Paribas, human rights, and BNP Paribas' position on low-tax countries.

“

Our charter features a series of commitments for responsible representation in terms of integrity, transparency, social responsibility and respect for the major universal and democratic values.”

**Jean-Jacques Santini**  
Head of Public Affairs,  
BNP Paribas



**In December 2012, BNP Paribas published its charter for responsible representation with respect to the public authorities. Can you give us an overview of this charter?**

It features a series of fundamental commitments in terms of integrity, transparency, social responsibility and respect for the major universal and democratic values. It applies to all employees involved in representing the Bank vis-à-vis public authorities in all the countries in which the Group is present.

**What does this charter aim to achieve?**  
First and foremost, it aims to govern our actions throughout the world and to harmonise practices across the Group. In addition, the Group defines best practices for responsible representation vis-à-vis public authorities. We have attempted to lay down our action

principles in a publicly available document to raise awareness of them.

**Could you cite an example of a commitment given in this charter?**  
For example, BNP Paribas employees covered by the charter pledge that the representation activities they engage in vis-à-vis the institutions they solicit do not undermine, distort or contradict the key principles of corporate social responsibility to which BNP Paribas adheres, such as the UN's Universal Declaration of Human Rights and Global Compact, and the fundamental conventions of the International Labour Organization.

# OUR ECONOMIC RESPONSIBILITY

## FINANCING THE ECONOMY IN AN ETHICAL MANNER

*BNP Paribas' primary mission is to meet its customers' needs, in particular by financing the projects of individuals and businesses, who drive economic development and job creation. With its leading positions in financial services in the 78 countries where it operates, the Group's financing capacity and the way it conducts its business have a direct impact on the local economies.*



### Commitment 1

#### LONG-TERM FINANCING FOR THE ECONOMY

Allocation of at least two-thirds of earnings to equity to consolidate an increase in loans to businesses and SMEs, as well as to retail customers.  
Increase personal and corporate lending at a rate exceeding the pace of economic growth

### Commitment 2

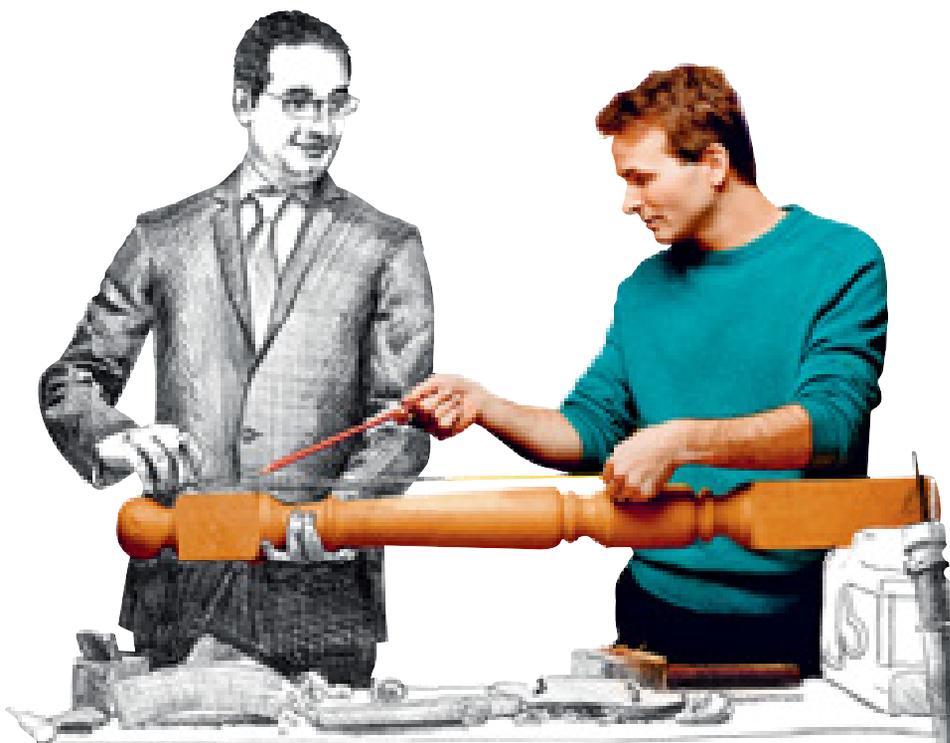
#### BUSINESS ETHICS

A dialogue-based programme focused on "Banking ethics and duties", Cetelem's responsible credit\*, rules governing commissions designed to protect client interests, plus easier access to lending and insurance for non-standard populations

### Commitment 3

#### A RANGE OF RESPONSIBLE PRODUCTS

Environmental, social and governance criteria incorporated in a growing proportion of assets under management; products with a positive impact on society



◀ Commitment 1

Between 2008 and 2012, the growth rate in lending granted was higher than the GDP growth rate in France, Italy, Belgium and Luxembourg.

Commitment 2 ▶

The satisfaction rate among individual customers reverted to its pre-crisis level in France, Italy, Belgium and Luxembourg.



# BNP PARIBAS



◀ Commitment 3



In 2012, BNP Paribas Personal Finance provided EUR 44 million worth of loans to over 7,000 customers working on fixed-term contracts.



# OUR ECONOMIC RESPONSIBILITY

## COMMITMENT 1. LONG-TERM FINANCING FOR THE ECONOMY



More than **2/3** of profits were reinvested in the company in order to **continue pursuing the Group's development and providing support for its customers.** By consolidating its capital base, the Bank is also directly boosting its ability to extend loans and thus its investments in the real economy.

In 2012, there was a particular focus on SMEs and small businesses clients. In France, an allocation of EUR 3.2 billion was used to finance over EUR 3.2 billion was used to finance over 27,000 projects.



In Luxembourg, a **one-billion-euro** credit line was earmarked for investment activities and projects as well as to help with starting up businesses.



BNP Paribas was **one of the first large banks** to achieve the ratio introduced in the new measures taken in 2010, with compliance required by 2019 under Basel III. BNP Paribas achieved its target for strengthening its solvency ratio (common equity Tier one) **one quarter ahead of schedule**, reaching 9.9% at 31 December 2012.

## COMMITMENT 2. BUSINESS ETHICS

Between September 2011 and August 2012, Group employees attended more than **138,000 training events** on combating money laundering, terrorism, financial embargoes and corruption.



In line with its undertaking, BNP Paribas closed a **fourth ETF** in 2012 and **suspended** marketing of the only **medium/long-term fund** in its range that still has majority exposure to agriculture. In late 2012, assets invested in food commodities on behalf of third parties amounted to **0.08%** of total Group assets under management.



During 2012, BNP Paribas held numerous workshops intended to enhance the transparency of its banking range and to help consumers understand financial issues. As a result, **11,500 people** attended **Straight Talk Workshops** held in France and in Italy, while **8,100 customers** benefited from education sessions offered as part of the EduCare initiative.

## COMMITMENT 3. A RANGE OF RESPONSIBLE PRODUCTS

BNP Paribas Investment Partners, the Group's dedicated asset management business line, applies **ESG criteria** to all its collective investment funds and institutional mandates. This approach is complemented by **rules for investing** in controversial sectors or products.



**40%** of the main euro fund run by BNP Paribas Cardif (1.7 million customers) was screened using an ESG filter.

*BNP Paribas Wealth Management, the Group's private bank, has reached the one billion euro mark in terms of assets managed for clients in **Socially Responsible Investment funds.***



# 16 businesses

In 2012, 16 businesses took their first steps in market-sourced financing, with support from the Group's experts throughout Europe. This brought the total amount of capital raised in the markets by the **52 new entrants** advised since 2010 to **EUR 25 billion**.



BNP Paribas is one of France's biggest tax payers. For 2012, the total amount of taxes and duties paid in France reached **EUR 1.9 billion**.



BNP Paribas has designed **the Pack Trankil, a simplified range** of banking services available for EUR 1.50 per month in emerging markets. In 2012, 36,057 accounts were opened.



## PUBLIC POSITIONS

With a presence in 78 countries, BNP Paribas carries out its operations in full compliance with universal rights and principles, as a contributor to or active member of:

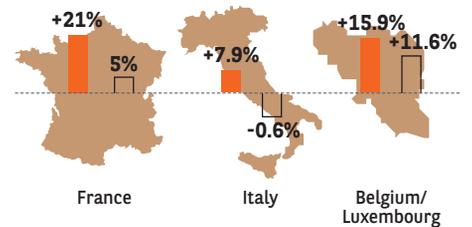
- ▶ the UNEP Finance Initiative;
- ▶ Principles for Responsible Investment

In addition, the Group has also sought to formalise its voluntary commitments:

- ▶ BNP Paribas' Charter: "Our mission, our responsibility"
- ▶ a financing and investment policy for the defence sector
- ▶ a position on essential agricultural commodities
- ▶ a policy of combating corruption
- ▶ a policy on responsible representation with respect to the public authorities
- ▶ the BNP Paribas suppliers' CSR Charter

## INDICATORS AND OBJECTIVES

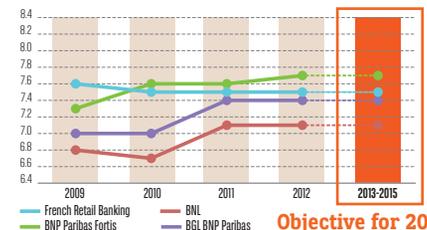
### Cumulative growth rate in lending since 2008



2008-2012 trend  
 ■ lending  
 □ GDP in value terms



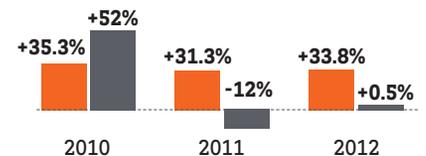
### Overall satisfaction scores for individual customers\* in the four domestic markets



\* Customers stating that the Bank is their main bank.

**Objective for 2015:**  
 maintain the level of customer satisfaction among individual customers

### Annual rate of growth in socially responsible (SRI) assets under management



■ SRI  
 ■ Total assets (assets under management and advised to external clients)

**2013-2015:**  
 SRI growth rate >> Rate of growth in total assets under management

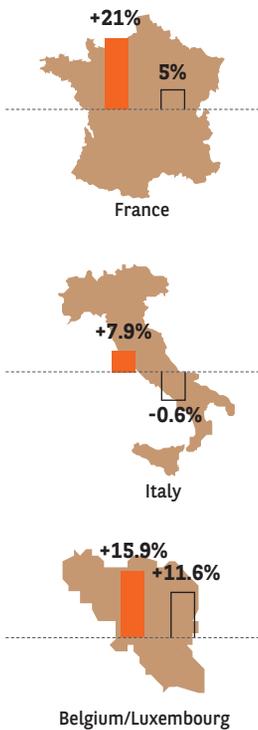
Commitment 1

# Long-term financing for the economy

BNP Paribas' mission is to provide financing for all activities that help foster economic and social development at global level. Its diversified economic model, which is both value-creative and resilient to periods of crisis, enables it to meet the financing needs of companies, institutions and individuals.

## CUMULATIVE GROWTH RATE IN LENDING SINCE 2008

2008-2012 trend  
 ■ lending  
 □ GDP in value terms



Loans to businesses and individuals have increased in the Group's four domestic markets at a rate above the level of economic growth.

## ONE OF THE MOST SOLID BANKS IN EUROPE, PLANNING AHEAD FOR THE NEW REGULATIONS

In order to be able to provide financing to the real economy over the long term, it is paramount that BNP Paribas can ensure its economic stability, whatever the financial context.

### One of the best capitalised large international banks

At the end of 2012, BNP Paribas was one of the first large banks to achieve the ratio imposed by the new measures taken in 2010 and required to be met by 2019 under Basel III. The minimum level of capital that banks will have to maintain has been increased. BNP Paribas achieved its target for strengthening its solvency ratio (common equity Tier one) one quarter ahead of schedule, reaching 9.9% at 31 December 2012.

The Group thus strengthened its capital base and hence its solidity and lending capacity.

### Profits benefiting the economy

More than two-thirds of profits were reinvested in the company in order to pursue the Group's development and support its

customers. By consolidating its capital base, the Bank is also directly boosting its ability to extend loans, and thus its investments in the real economy.

## SIGNIFICANT GROWTH IN PERSONAL AND CORPORATE LOANS



For five years, BNP Paribas has been able to increase its lending to its customers, despite the adverse economic conditions. The total amount of loans extended to businesses and individuals has thus increased regularly within the Group's **four domestic markets**, in a proportion well above the level of economic growth recorded in these countries.

Between end-2011 and end-2012, outstanding personal loans in these four countries increased by 1.5%.

The Bank's mission is to support the development of businesses, particularly SMEs, by providing them with financial resources (via debt and the capital markets) and strategic advice:

- **In France**, there has been a particular focus on **SMEs and small businesses clients**. With six commitments made in early 2012 to support them, a total of EUR 5 billion worth of new loans was granted. The objective is to finance 40,000 projects between 1 July 2012 and 30 June 2013. By end-2012, more than 27,000 projects had been financed, representing a total amount



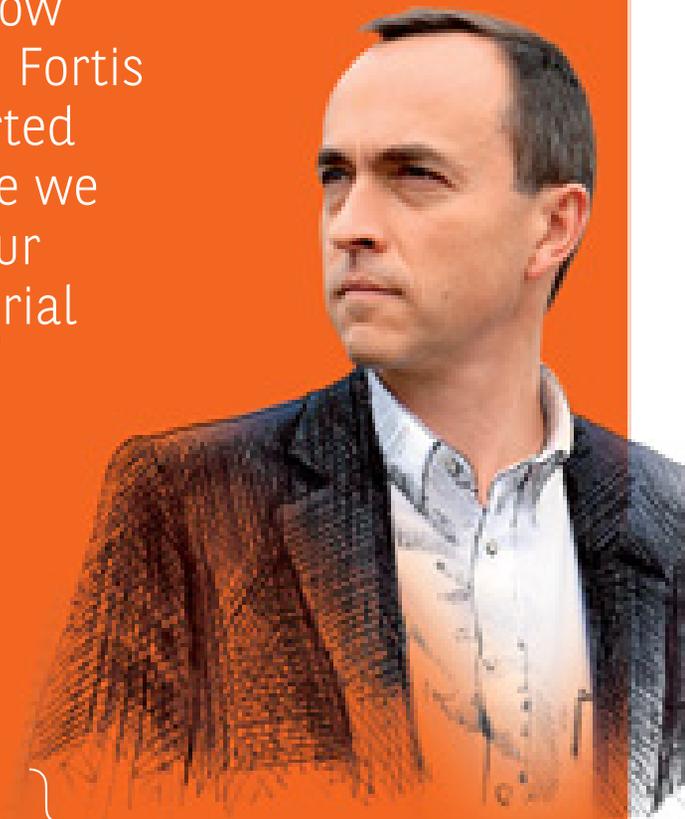
**FRANCE:** Straight Talk ("Parlons Vrai") workshop and advertising campaign.

of EUR 3.2 billion. 60 Small Business Centres (vs. 46 in 2011) allow business leaders' professional and personal needs to be met at the same location.

- **In Luxembourg**, a strong signal was sent to SMEs through the creation of a **one-billion-euro** credit line earmarked for investment activities and projects, as well as to help with starting up businesses.
- **In Belgium**, the main objective was to support the development of businesses. In early 2013, BNP Paribas Fortis decided to earmark **EUR 1 billion** in loans to supporting their activities.

“

Fortis and now BNP Paribas Fortis have supported us ever since we set out on our entrepreneurial adventure.”



**Leopold Thise**  
Chief Executive Officer  
of Icarus, Belgium

**Can you present Icarus?**

**Icarus was founded in Belgium during 1985 and supplies piping to the oil, gas, chemicals and petrochemicals industries. We also manufacture valves and forged fittings for submarine applications. We currently have a workforce of around 100 people and are active outside Belgium and even outside Europe.**

**How has BNP Paribas supported you over the past few years?**

**Fortis and now BNP Paribas Fortis have supported us ever since we set out on our entrepreneurial adventure, during the good times and when we have run into difficulties. Our relationship is founded on very regular dialogue and mutual trust. It means we can count on**

**BNP Paribas at the key stages in our development, such as when the company was bought back from a Norwegian investment fund.**

**What impact did this buyout have on your business?**

**Firstly, it provided a fresh boost to the motivation of all our teams. The initiative helped us to protect 80 jobs at local level and gave our operations an international dimension. The public authorities welcomed our strategy, which is focused on future-oriented development.**



**UNITED STATES:** *Bank of the West increased its lending by close to 15% in 2012.*

- **In the United States, Bank of the West** increased its lending by close to 15% in 2012, becoming one of the leading banks making loans to the US farming sector. In 2012 it ranked as the no. 2 domestic lender to this sector by the American Bankers Association, with close to USD 3.2 billion (EUR 2.47 billion) in agricultural loans at end-2011.
- **In Tunisia,** the 30,000 million for entrepreneurs campaign continued to run during 2012, reiterating UBCI's financial support for small business creation.

With **EUR 3.2 billion** in agricultural loans, Bank of the West ranked **second** in the nationwide rankings of lenders to the sector.

## NUMEROUS INITIATIVES TO SUPPORT ECONOMIC GROWTH

In addition to its lending and advisory activities, BNP Paribas supports economic development through a broad range of products and services, tailored to meet the specific needs of various types of customers and countries.

### Access to capital markets

Companies—both medium-sized and large—are not only asking for loans but are also increasingly looking for capital market financing solutions. BNP Paribas helps them to enter these markets.

In 2012, **16 companies took their first steps into market-sourced financing**, with support from the Group's experts throughout Europe. This brought the total amount of capital raised by the **52 new entrants** advised since 2010 to **EUR 25 billion**.

### Mutual funds

At the same time, in order to support actively the long-term development of French companies, several innovative funds were created in 2012:

- **BNP Paribas Cardif** and three other leading life insurers set up a **Strategic Equity Fund** in October to make long-term investments in the capital of French companies. This innovative fund makes it possible to channel funds into the economy and into companies that had previously been locked up in other vehicles. The investments made and the commitment to remain invested in SBF 250 or CAC 40 companies for at least five years will contribute to the strategic development of these businesses.

- With the same aim of supporting businesses and increasingly channelling French savers' assets into their financing, BNP Paribas launched the **BNP Paribas France Crédit** mutual fund. Its aim is to invest assets gathered by the Group's insurance subsidiary into a fund managed by its asset management subsidiary. These fund inflows will enable the Group to finance loans arranged by the Corporate Investment Banking (CIB) segment for medium-sized businesses. BNP Paribas Cardif's fund inflow target of EUR 250 million over three years will be gradually achieved through successive selections of investment opportunities.

## Tailored advice and support

### Women entrepreneurs

BNP Paribas encourages entrepreneurs, and in particular women, to pursue their plans for setting up and developing innovative businesses.

- **In France, while the female participation rate is among the highest in Europe** and one in five women are considering starting a business, only 32% actually take the plunge (compared with 48% in the United States). To boost this rate, BNP Paribas signed a partnership agreement with *paris pionnières*, a support organisation for women with plans to set up a business in the area of innovative services for individuals and companies.

### Outside France

BNP Paribas is pursuing numerous initiatives to promote entrepreneurship in countries where it operates.

- **In Tunisia: the UBCI** has launched its "Business Academy", a meeting and training centre for business executives. Several subjects have been covered since its launch in Tunis in September 2012, including SME financing and competitiveness factors in the market.

In addition to actions implemented in each country, BNP Paribas encourages **businesses and SMEs to develop internationally** by offering them transnational services.

- In 2012, **3,500 clients** used the seamless banking solutions offered across Europe from a single entry point. With "one bank for corporates in Europe and beyond", they can now use a network of 150 business centres and 1,900 advisors specifically dedicated to businesses in 18 countries. This unrivalled pan-European offering, designed to facilitate growth across the continent, met a real need, as the objective set upon launch in 2010 had been to support 3,000 businesses.

## Innovation

- **In France**, BNP Paribas reaffirmed its commitment to entrepreneurs by planning for the establishment of 10 innovation centres by June 2013, whose aim will be to facilitate the development of innovative businesses. Three were already set up in 2012, in Toulouse, Grenoble and Paris.



**FRANCE:** The "Les Audacieux" exhibition showing the micro-entrepreneurs supported by Adie.

Commitment 2

# Business ethics

*BNP Paribas attaches paramount importance to business ethics, both in the conduct of its financing and investment activities and in the relations the Group forges with retail customers.*

**T**he protection of retail customers' interests is a priority. We have taken a whole host of initiatives to meet their requests for information and transparency and to improve their understanding of banking products and services. In the marketing phase, the relationship is managed responsibly and mechanisms for listening to and monitoring customers are reinforced.

Moreover, as a leading financial player, BNP Paribas wields direct influence over the economy. Controlling the possible social and environmental impacts of its financing and investments is therefore a constant concern for the Group. Voluntary codes, policies and measures have been established to manage its activities in certain sensitive sectors.

Finally, BNP Paribas has a highly successful anti-corruption mechanism and establishes its offices, not based on tax considerations, but in order to best serve its customers around the world.

In 2012, the measures already initiated were consolidated, extended and improved.

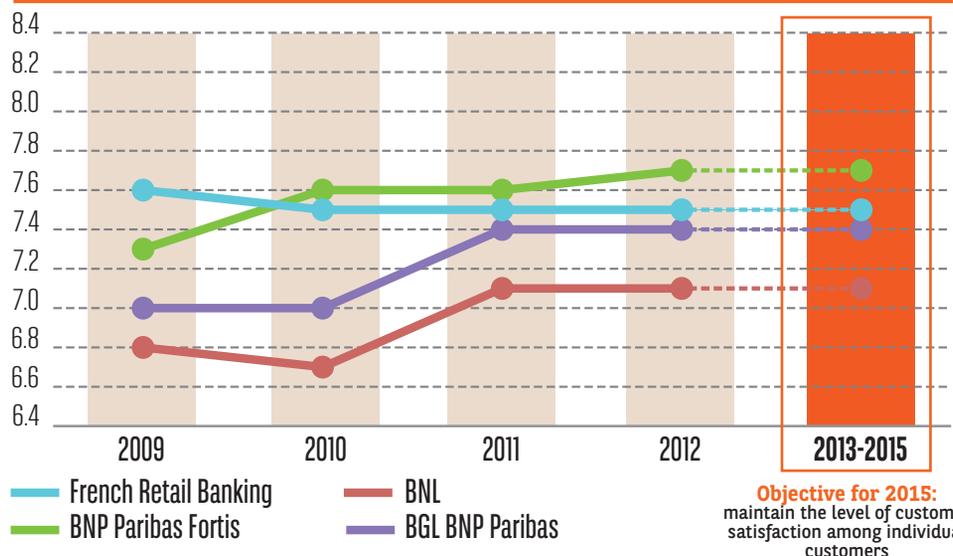


**Felicity Youl**  
responsible for CSR  
at BNP Paribas in Asia



The significant growth observed in Asia-Pacific should not be pursued regardless of the cost. And so the implementation of CSR in our strategy reflects our desire to act respectfully towards our customers, our employees and our environment. We also endeavour to make our employees aware of environmental and social risks so that they can make responsible decisions in these areas on a daily basis. ”

» Trends in the satisfaction level among individual customers\*



\* Customers stating that the Bank is their main bank.

# STRENGTHEN PROTECTION OF CUSTOMER INTERESTS AND IMPROVE TRANSPARENCY OF PRODUCTS AND SERVICES

## Customer satisfaction: the absolute priority

The Group's determination to improve customer satisfaction and protect customer interests has led it to reinforce its dialogue and monitoring systems and to implement strict commercial rules.

### France

- In October 2012, Raphaële Leroy was appointed Head of Relations with consumers and the associations that represent them. Marie-Claire Capobianco, Head of French Retail Banking and a member of BNP Paribas' Executive Committee, said: "Listening, understanding, sharing our customers' expectations with consumer associations and maintaining a concerted approach to the improvement of service quality over the long term are the objectives that Raphaële Leroy will help to achieve."

- Remuneration of in-branch advisors has been modified so that it is the same irrespective of which product they recommend within a family of needs. For example, within the long-term savings family, the BNP Paribas advisor will receive the same commission for a home ownership savings scheme as for a life insurance policy. It is therefore in the advisor's interest to recommend the most suitable product, according to the risks or term required. In addition, a significant part of the commission is not paid until the customer starts to use the product, i.e. several months after it is arranged. In this way, BNP Paribas ensures that the product supplied does indeed meet its customer's need.

### Italy

BNL has embarked on a similar programme to control its commission payments.

### Belgium

Since May 2012, Private Banking Center and Contact Centre employees instantly handle clients' sources of dissatisfaction. The aim of this new procedure is to reduce certain minor, but recurring conflicts as far as possible and to boost customer satisfaction. 20% of complaints are now handled in this manner.

### Switzerland

BNP Paribas' Responsibility Charter has been integrated into its key commercial documents, notably products brochures and pricing information, as well as investment proposals that are sent to customers.

**These mechanisms have helped improve customer satisfaction, which has increased in all the domestic markets.**



## > First satisfaction survey of customers in debt recovery

The challenge in maintaining customer loyalty and satisfaction, particularly when they encounter problems, is a key point for Cetelem. A survey was set up in May 2012 by Ipsos and 451 Cetelem customers in France who had experienced the processing of a missed payment in the preceding three months were interviewed. The main conclusions of the survey show that 69% of customers were satisfied overall and 67% appreciated the solutions proposed.

## > 3 ethical benefits with a new revolving loan offering

**1** An offering that gives customers a flexible, transparent and responsive product that helps them manage their cash flow more effectively.

**2** A solution that goes further than the Lagarde law, allowing customers to choose from among six repayment options. Customers are able to switch easily between options. They can also receive a text alert if the monthly payment exceeds a set limit.

**3** A website, [jegeremesfinsdemois.com](http://jegeremesfinsdemois.com), has been designed to help consumers understand how to manage their budget and find the necessary resources.

## > Vigeo provides certification of its responsible credentials

Before launching the New Generation Revolving Loan offering, which will gradually replace the existing revolving loan offering, Cetelem commissioned Vigeo, Europe's leading extra-financial auditors, to check the responsible and transparent nature of its new product and its marketing approach. In the product design stage, Vigeo delivered a provisional certification of the product's responsible nature: transparent information, advice provided during the marketing and loan granting phases, verification of customer solvency, fit with customer interests throughout the term of the contract, allowance made for the impact of consumer credit on society. In February 2013, Vigeo audited four customer relations centres to analyse how the product is marketed by customer advisors. In mid-April, it issued final certification of its responsible nature valid for a period of 18 months.

### Greater transparency in the Bank's offering

Since 2011, the retail bank has launched multiple initiatives for its customers to help them realise their plans, while prioritising the protection of their interests.

This is reflected in dialogue mechanisms and educational workshops set up to improve the transparency of the bank's offering and customer understanding of banking products.

#### France

- The **Straight Talk** initiative, launched in 2011 in order to answer the numerous questions from individual customers and their need for transparency and simplicity, led to the establishment of a two-part dialogue mechanism consisting of:
  - a permanent website, [www.parlonsvrai.bnpparibas.net](http://www.parlonsvrai.bnpparibas.net), which has attracted 200,000 visitors since it was launched at the end of 2011, with more than 900 questions submitted;

- Straight Talk ("**Parlons vrai**") workshops. These direct meetings with retail bank employees are intended to address customers' concrete financial concerns. In 2012, 11,500 people attended 1,200 workshops initiated throughout the year, culminating in more than 1,000 workshops being held throughout France in a nationwide event on 18 October. These free and uniquely informative sessions addressed all the main financial issues. All materials were developed in collaboration with the independent association La finance pour tous, which specialises in educating the public on banking matters.

Since 2010, BNP Paribas Personal Finance has run an integrated dialogue and study-based programme with civil society partners affected by personal finance. During the first half of 2013, five work groups are due to be set up to look at topics as varied as budget education, savings and loans, borrower insurance, point-of-sale loans, and the protection of customer interests.

#### >> CONFERENCE

##### > Role and ethics of banks

In a bid to contribute to the debate over the changing role of banks, BNP Paribas decided to embark on an innovative and collaborative reflection process with all of its stakeholders. The first stage in the process was a conference held on 26 February 2013 concerning the "Role and ethics of banks: what new responsibilities do they have in a changing world?". To join in the debate, visit [www.pourunebanqueresponsable.com](http://www.pourunebanqueresponsable.com).



**ITALY:** Since 2008, BNL has held EduCare financial education programmes for the general public and businesses.



**LUXEMBOURG:** As part of its "Parlons de vous" (Let's talk about you) campaign, BGL has put the spotlight on supporting its customers.

## Italy

Along the same lines, BNL let its clients speak for it in a campaign covered in the press, on television and online in October 2012. A website was created for corporate clients to submit their requests and suggestions.

At the same time, to meet the demand for information, the EduCare programme, which aims to further the financial education of individuals and companies, gained a whole new dimension in 2012 by moving out of the traditional setting of the branches.

## Luxembourg

A “Parlons de vous” area has been set up on BGL BNP Paribas’ web site centralising all the answers provided by the Bank to its customers’ questions. This initiative is part of BGL BNP Paribas’ image campaign emphasising its local roots, alongside the Group’s international expertise.

## India

A programme was set up to raise young people’s awareness of stock market investments. By explaining how investments work, the aim is to inform them of the risks and rewards associated with the choices they make.

## In some 20 countries around the world

In 2012, BNP Paribas IP delivered 63 Investment Academy sessions. This programme has provided training to more than 1,300 customers in investment strategies and the latest regulations governing the financial markets. This project gained the Most Innovative Award for Investor Education at the Best of the Best Asia Asset Management Awards.

“

Since 2008, more than 50,000 people and close to 4,000 businesses have attended 3,100 financial education sessions as part of the EduCare initiative.”

**Fabio Gallia**  
Head of the BNP Paribas Group in Italy

### What are the goals of the EduCare programme?

EduCare is a financial education programme that arose from the observation that most people do not consider themselves as making financial decisions autonomously. Given the current crisis, making the wrong financial decisions can have serious consequences. Taking action in this area seemed a good idea as part of an effort to reduce the asymmetry of information and help our customers to make the most effective decisions at every stage in their lives.

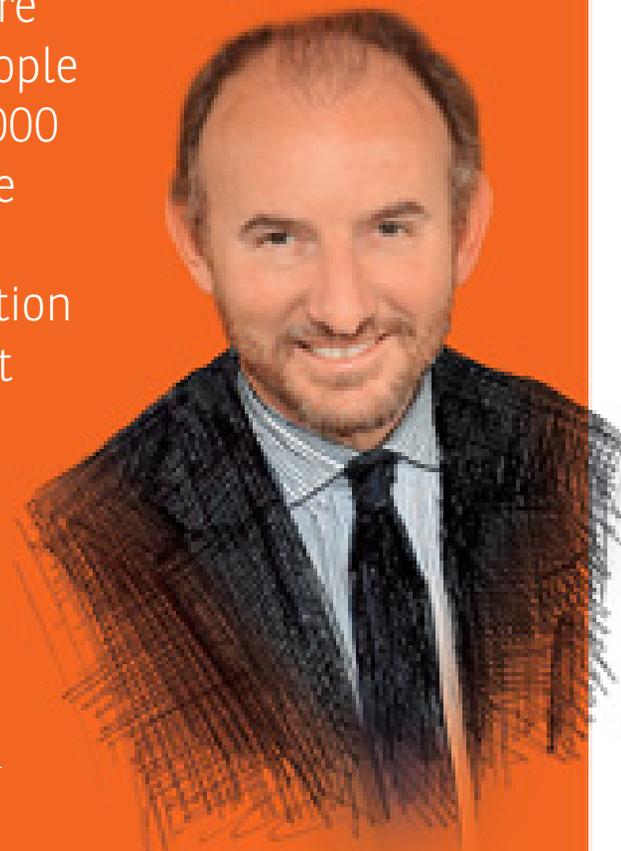
### What does this programme offer in concrete terms?

Since 2008, our branches have contributed by holding sessions for the general public. The topics covered relate to savings capacity, management of expenses and how banking services work. We also provide sessions for

businesses, presenting the latest trends in the economic environment in which they operate and making them aware of the tools available to them to facilitate their development in both the domestic and international market.

### 20 March 2013 was EduCare Day at BNL. Can you describe this event?

This year, a special nationwide day was devoted to the programme. More than 1,500 employees took part, providing financial education sessions for 11,300 people. We were delighted with the success of this event, which was particularly popular in university circles. EduCare Day is an initiative that we will surely be repeating. On a broader scale, the results have been encouraging since 2008 as more than 50,000 have taken part in the 3,100 EduCare sessions held.





**GLOBAL:** *BNP Paribas tightly controls its activities in the essential agricultural commodities sector.*

Under the defence policy, **148** sensitive transactions required a specific review by the Group's CSR teams in 2012.

## CONTROL THE IMPACT ON SOCIETY OF FINANCIAL PRODUCTS AND SERVICES

BNP Paribas extends financing to sensitive industries and operates in countries whose legal and governance environments have not all reached the same level of maturity. The Group thus faces a wide variety of ethical challenges that require increased vigilance when making financing and investment decisions.

### Defence, a particularly sensitive sector

The BNP Paribas Group has a responsible financing and investment policy for the defence sector. This policy, published in 2010, strictly precludes certain types of weapons (controversial weapons) in certain geographical regions (areas affected by armed conflict, or the violation of children's rights) of the bank's financing and investment universe. The defence policy was updated in March 2012 and now covers new issues such

as corruption, light arms and intermediaries (third party between the manufacturer and the buyer).

### Clear position on essential agricultural commodities

BNP Paribas is aware of the critical impact of higher prices for essential agricultural commodities on the diet of most fragile populations. In July 2011, the Group made a formal public commitment not to sell derivative products to external operators whose objectives are purely financial, i.e. not related to the need to protect a physical activity from price fluctuations. Similarly, the Group has undertaken to offer its clients only investment products designed for the medium and long term and to limit its exposure to essential agricultural commodities.

At end-2012, assets invested in food commodities on behalf of third parties amounted to EUR 411 million, or 0.08% of total Group assets under management.

## Integration of ESG criteria into lending policies

In 2012, Group Risk Management progressively started to include environmental, social and governance (ESG) issues in its credit rating policies, which define the main characteristics of the counterparties and transactions acceptable to BNP Paribas.

The first steps concerned rating policies for the shipping, large corporations and insurance sectors.

ESG criteria were also introduced into lending policies for leveraged buyout and real estate activities.

## A sophisticated anti-corruption mechanism

Between September 2011 and August 2012, Group employees attended more than 138,000 training events on combating money laundering, terrorism, financial embargoes and corruption, with a distinction made between:



- Combating external corruption: this training module covers finding out about new clients and intermediaries at the beginning of a new relationship and monitoring their transactions. Since July 2010, staff whose work is directly exposed to this risk (61,253 employees, i.e. around one-third of Group headcount) have had to attend a specific internal training every year;
- Combating internal corruption: in November 2012, a training module was created that highlights the key definitions, gives practical examples and presents BNP Paribas' Control Mechanism.

## BNP Paribas and tax havens: the facts

BNP Paribas has often been criticised for supposedly being present in tax havens. Here are the plain facts:

### 1. BNP Paribas is one of France's biggest tax payers

BNP Paribas is one of France's biggest tax payers. For 2011, the total amount of taxes and duties paid in France reached EUR 1.9 billion. BNP Paribas has not pursued any tax planning strategies that are detrimental to French tax payers.

### 2. BNP Paribas has no presence in any tax haven on the OECD's list

BNP Paribas was the first French bank to undertake to end all its activities in countries on the OECD's "grey" list from late 2008 onwards. BNP Paribas pulled out of Panama in 2009, a country in which it had conducted banking operations for 75 years.

### 3. BNP Paribas' presence in two countries considered as uncooperative by the French tax administration – Brunei and the Philippines – is very small indeed

In these countries, BNP Paribas serves the needs of local and regional clients and supports the development of its major international exporter clients, but does not use these units in any way to shelter the Group's earnings or to help French companies to keep income out of the tax authorities' sight. Even so, given its desire to be above reproach, BNP Paribas formally asked the relevant French authorities in September 2012 to check that these operations are not of a concern to them, in which case it undertook to shut them down.

### 4. BNP Paribas cannot seriously be criticised for operating in a number of OECD and EU countries, nor can this be linked to tax considerations

Studies by certain NGOs that refer to unofficial lists of tax havens and give statistics on operations in tax havens that do not correspond to any operational reality. These lists include in the category of tax havens countries that belong to the Group's domestic markets, such as Belgium, where the Group has more than 18,000 employees, a network of 1,324 branches, 3.7 million retail and SME customers, and 35,000 corporate clients.

### 5. BNP Paribas has undertaken to trim its presence in certain non-OECD countries.

BNP Paribas has undertaken to make a significant reduction in its presence in eight countries, which can be considered to operate favourable tax regimes, even though these units are completely lawful. From late 2013 onwards, the number of its subsidiaries in these eight countries will be lowered from 35 countries to around 20 – a reduction of some 40%. Further cuts will be made thereafter.

### 6. BNP Paribas does not open any accounts for Europeans in these countries

The Offshore Leaks campaign sparked criticism of BNP Paribas on the grounds of former listings showing the presence of 56 accounts held on behalf of clients in the British Virgin Islands. Only seven of them were for European clients, and six of these have been closed since. Today, BNP Paribas follows guidelines going well beyond the legal constraints and refuses to set up vehicles registered in this type of jurisdiction for European clients. Accordingly, the Group opens accounts for BVIs\* only where they are held by non-European clients. This arrangement is crucial for any bank collecting savings from wealthy Asian investors, since holding a vehicle registered in the British Virgin Islands is a common practice.

\* Companies acting as an asset holding vehicle on behalf of private individuals or structured trusts for non-European clients.

Commitment 3

# A range of **responsible products**

*BNP Paribas markets an array of responsible investments for retail customers and institutional investors. In 2012, the Group continued the process of incorporating environmental, social and governance (ESG) criteria in its investments and expanded its SRI range. At the same time, the Group extended its range of products aimed at the more vulnerable and underbanked populations.*



**GLOBAL:** BNP Paribas is rolling out a number of tools to provide its customers with even more information about its range of responsible products.

## INTEGRATE ESG CRITERIA INTO SAVINGS PRODUCTS

A signatory to the UN Principles for Responsible Investment (UN PRI), BNP Paribas Investment Partners, the Group's dedicated asset management business line, applies ESG criteria to all its collective investment funds and institutional mandates. In addition to financial analysis, these criteria are analysed using a formal framework based on the UN Global Compact's ten principles in the areas of human rights, labour law, the environment and anti-corruption measures. The principles are complemented by rules for investing in controversial sectors or products.

As a result of this approach, the Group excludes businesses that do not conform to these criteria. BNP Paribas Investment Partners has also initiated a dialogue with several companies to encourage them to develop better practices.

In addition, the asset management business line aims to increase the long-term value of its investments by helping companies to develop good practice in terms of governance, social and environmental responsibilities.

In 2012, BNP Paribas Investment Partners systematically exercised its shareholder voting rights, participating at over 1,200 Annual General Meetings and voting on more than 14,000 draft resolutions, abstaining from, opposing or voting against close to 20% of them.

BNP Paribas Cardif, the Group's life and non-life insurance subsidiary, also took a key step in its ESG development by creating a composite indicator enabling it to monitor the proportion of investments in its main euro fund (EUR 88 billion at 31 December 2012) screened using an ESG filter at the time of selection, since 1 July 2008. This indicator rose from 24% at 31 December 2010 to 40% at 31 December 2012.

## PROVIDE CUSTOMERS WITH DECISION-MAKING TOOLS

In order to inform its customers about its wide range of savings products and to boost the impact of these products on society, BNP Paribas developed several tools in 2012:

- **Clients of either Cortal Consors France**, an online brokerage or Wealth management can refer to a new label called the "Révélateur ISR" (SRI revealer), created in 2012. This clarifies the nature of ESG funds and enables clients to gauge the SRI intensity of a fund.
- **At Cortal Consors Germany**, clients wanting to combine profitability with responsibility can refer to the SRI FundsFinder, an online tool enabling users to exclude specific sectors or criteria.
- **From an environmental perspective, clients of Cortal Consors France can refer to the green rating**, which measures carbon emissions by companies in which the funds

are invested. From a social perspective, the employment rating launched in 2011 measures the number of jobs created or lost during the year by companies in which 475 European equity funds are invested.

- **BNP Paribas Securities Services** now gives fund managers the possibility of conducting extra-financial reporting on their SRI funds.

Finally, raising the general public's awareness of responsible investment remains a key objective, and the Group addresses this goal each year with a flagship event, **the SRI week**.

During the week, the practical SRI guide for retail customers is widely distributed. First published in 2010 and updated each year, the guide answers the general public's main questions and thus helps improve perceptions of the SRI approach. In 2012, 3,000 copies were distributed in private banking centres in France, and the guide has been made available on the Bank's website.

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**FRANCE:** *The SRI guide supporting retail customers seeking to embrace responsible investment.*

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## DESIGN AND PROMOTE SOCIALLY RESPONSIBLE INVESTMENT (SRI) FUNDS



BNP Paribas continues to develop and promote its range of SRI products. These products are a response to demand from customers wanting to invest in businesses and sectors of activity at the forefront of sustainable development, thereby making their savings more meaningful.

BNP Paribas' expertise is based on two complementary approaches: one is focused on committed issuers ("best-in-class"); while the second, theme-based approach targets activities, products and services related to environmental protection and/or social wellbeing.

### 22 SRI funds accredited in 2012

22 SRI labels were awarded to funds managed by BNP Paribas Investment Partners in 2012.

- 11 SRI funds received a Novethic label in 2012, including nine awarded with a special "ESG indicators" mention for the quality of their communication on social and environmental impacts;
- Three funds were awarded the EnvironmentLuxFlag label for their major involvement in the environment sector and their high level of investor transparency;
- Three funds received the Finansol label for their investments in the social business and microfinance;

- Five were awarded the CIES (Comité Intersyndical de l'Épargne Salariale) label dedicated to employee savings plans.

These labels support BNP Paribas in its long-term commitment to develop and promote its range of SRI products.

Thanks to the in-depth work performed by the Group's teams to promote the social and environmental dimensions of SRI funds, their outstanding amount grew very significantly in 2012.

In 2012, growth in SRI assets (+33.8%) largely exceeded growth in total assets <sup>(1)</sup> (+0.5%).

(1) Which include assets under management and assets advised to external clients.

### >> BNP Paribas SRI funds approved in 2012

Fund name	Labels				
	Novethic label (Awarded every September)		Luxflag label (awarded every December)	Finansol	CIES
	With ESG indicators	Without ESG indicators			
BNP Paribas Etheis	✓				
Parvest Sustainable Equity Europe	✓				
MAIF Investissement Responsable Europe	✓				
BNP Paribas Euro Valeurs Durables	✓				
BNP Paribas L1 Sustainable Bond Euro	✓				
BNP Paribas Obli Etheis	✓			✓	
BNP Paribas Obli Etat	✓				
Parvest Sustainable Bond Euro Corporate	✓				
BNP Paribas Mois		✓			
BNP Paribas Money Prime Euro SRI		✓			
BNP Paribas Aqua			✓		
Parvest Environmental Opportunities			✓		
Parvest Global Environment			✓		
Sicav Retraite	✓ (Retraite Horizon)				
Multipar Funds				✓✓ (2 funds)	✓✓✓✓✓ (5 funds)



**FRANCE:** EUR 100 million in assets under management for the BNP Paribas Aqua fund.

**EUR 20 billion**

in SRI assets managed by BNP Paribas Investment Partners at 31 December 2012.

**40%** of the main euro fund run by BNP Paribas Cardif was screened using an ESG filter.

For example, the BNP Paribas Aqua fund, created in 2008 and invested in international companies involved in the water business, made a spectacular breakthrough in France with retail customers in 2012, with its assets under management reaching close to EUR 100 million at 31 December 2012.

BNP Paribas Wealth Management, the Group's private bank, reached the one billion euro mark in terms of assets managed for clients in socially responsible investment funds.

Similarly, retail banking continues to promote SRI via funds distributed in the branches:

- BNP Paribas Développement Humain invests in European companies whose products and services help meet basic human needs (quality food in sufficient quantity at moderate cost, access to basic

services, education) and address the challenges of the modern world, such as the ageing population and next-generation medicines;

- BNP Paribas Obli Ethéis invests in high-quality ("investment grade") bonds from euro-zone issuers or euro-zone markets. The SRI approach adopted aims to favour best ESG practice by issuers, as assessed by the SRI Research Team. A maximum of 10% of the portfolio is devoted to investments in microfinance and the social business, which grant loans to micro-entrepreneurs.

In a similar approach, Global Equities & Commodity Derivatives set up four new indices in 2012 to offer tailor-made solutions to its clients. Three of them are a response to the increasing interest in environmental

issues: one offers access to waste management, the second to businesses whose products and services optimise energy consumption and the third to companies involved in the development of the renewable energy sector in a context of rising energy costs, particularly from fossil fuels. The fourth index offers access to 15 large European companies recognised as CSR pioneers by Vigeo and Forum Ethibel.

## DESIGN PRODUCTS WITH A POSITIVE IMPACT ON SOCIETY

Extending the initiatives launched in 2011, BNP Paribas deployed innovative products and services especially designed for vulnerable customers or those with particular needs. The Group also pursued its philanthropic advisory activity aimed at directing its customers towards high value-added investments.

- **In 2011, Cetelem made the innovative move of offering personal loans to young people working on fixed-term contracts.** Facilitating the start of their working life and integrating their precarious situation, this offer made credit accessible to contract workers who previously had little or no access to it. The term, interest rate and repayment schedules for these loans are tailored to the customer's budget.

**36,057**

Pack Trankil accounts were opened in 2012.



**SUB-SAHARAN AFRICA:** *The Pack Trankil provides access to banking services for people on low incomes.*

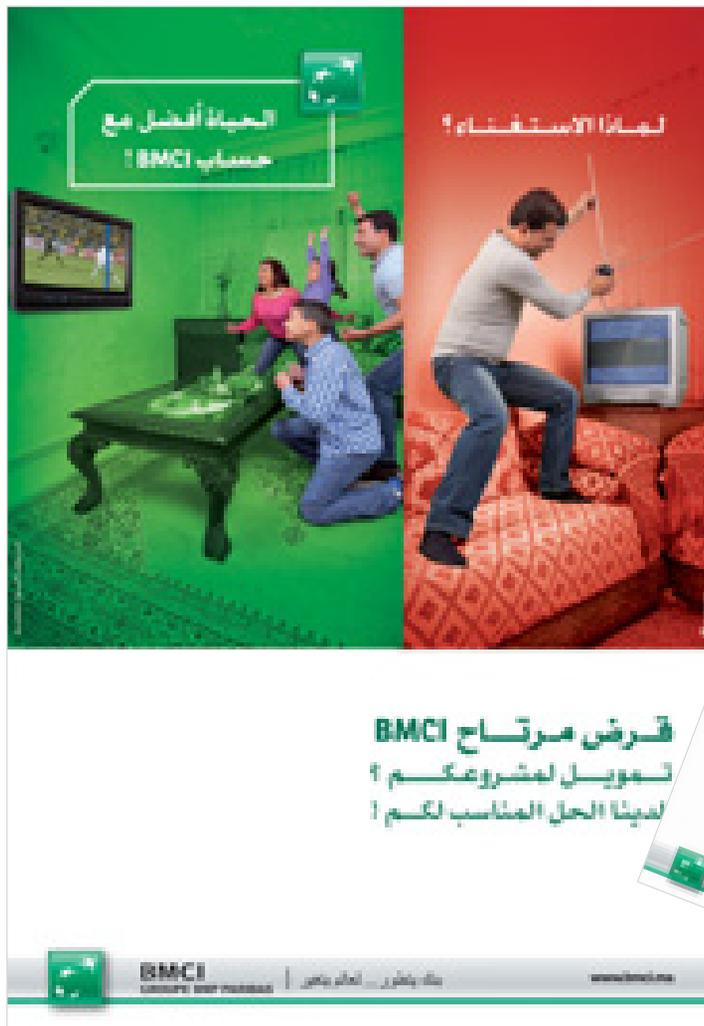
In 2012, BNP Paribas Personal Finance provided EUR 44 million in loans to over 7,000 customers working on fixed-term contracts.

- **BNP Paribas Cardif** has adopted a proactive approach to improve access to insurance for people facing a serious health risk. In 2008, efforts were focused on asthma, in 2009 on paraplegia and in 2010 and 2011 on heart disease and tetraplegia. A pricing scale for these last two conditions was set up at the end of December 2011. During 2012, BNP Paribas Cardif continued to analyse further conditions and should complete this work during 2013.
- **In emerging markets**, the Group has developed solutions geared to the needs of local populations.



In many countries (North Africa, Sub-Saharan Africa, etc.), levels of access to banking services remain very low, which is holding back local economies. Simplified forms of access to banking services, at prices well below those charged for the usual entry-level packages have been developed.

- The Group's BICIs (international banks of commerce and industry) launched the Pack Trankil, for people on low incomes in Senegal, Côte d'Ivoire, Mali and Burkina Faso, in a joint advertising campaign. The pack offers customers a bank account, a withdrawal card, a text service allowing for secure, remote monitoring of their account and advisory services at the customer relations centre—all for EUR 1.50 a month. In 2012, 36,057 accounts were opened.



**MOROCCO:** *The Pack Mertah, a range specially designed for Moroccan customers.*

- In a similar move in Morocco, the Pack Mertah, launched in 2011, offers a bank account, a withdrawal card, a savings account, a text alert system and an overdraft facility. 2,048 retail customers benefited from this product in 2012.

Finally, as part of its advisory services, the Group is harnessing its full range of expertise to encourage some of its clients to carry out operations with a positive impact on society. In particular:

- BNP Paribas Wealth Management was named No. 1 global private bank in philanthropic services by The Banker and Professional Wealth Management (Financial

Times Group). The panel of judges comprising eight sector experts from the United States, Europe and Asia, assessed not only the success of the strategies implemented but also the Bank's ability to adapt its offering and the quality of its client relations. This award was bestowed on the Group for the quality of the philanthropic service offering developed by its private bank over the years.

**2,048**  
customers signed  
up for the Pack  
Mertah in Morocco  
during 2012.

## OUR SOCIAL RESPONSIBILITY

# PURSuing A COMMITTED AND FAIR HUMAN RESOURCES POLICY

*The Group is committed to acting fairly towards its staff and maintaining a high-quality dialogue with them. Each year, BNP Paribas recruits and trains up to several thousand new staff worldwide. It has made a strong conscious decision to foster diversity in all its forms, including setting precise objectives for promoting women. BNP Paribas' employment policy includes prioritising internal job mobility and training. The Group is committed, within its four domestic markets where the size and range of its activities permit, to avoid compulsory redundancies through responsible labour relations policies.*



### Commitment 4

#### RECRUITMENT AND TRAINING

Over 15,000 new employees hired every year,  
alongside active internal mobility

### Commitment 5

#### DIVERSITY

Constantly rising percentage of women  
appointed to senior management, a strong and  
monitored commitment to diversity in all its  
forms

### Commitment 6

#### SOLIDARITY-BASED EMPLOYMENT MANAGEMENT

Training and internal mobility to avoid  
compulsory layoffs in domestic markets  
thanks to a rich and responsible social  
dialogue



◀ Commitment 4

More than 4 million hours of training provided Group-wide in 2012 to close to 137,000 employees.



Commitment 5 ▶

BNP Paribas employs more than 2,600 employees with disabilities in 17 countries.



◀ Commitment 6

One pan-European employee-relations agreement per year in 2013 and 2014.

# OUR SOCIAL RESPONSIBILITY

## COMMITMENT 4. RECRUITMENT AND TRAINING

More than **4 million hours** of training provided Group-wide in 2012 to close to **137,000 employees**.




*With 18,737 staff recruited worldwide, BNP Paribas comfortably met its commitment to hire 15,000 new staff in 2012. The countries recruiting the most were the United States, Turkey, India and France, followed by Russia, Ukraine and Belgium.*

The Group's absenteeism rate, based on 21 countries representing 69% of the Group workforce, was **2.6%** in 2012, in addition to an absenteeism rate of 2.8% for maternity/paternity leave.



## COMMITMENT 5. DIVERSITY

BNP Paribas has more than **2,600** employees with disabilities in 17 countries.




**BNP Paribas Personal Finance** is the first French company to obtain accreditation for the first **Gender Equality European Standard**, awarded by Bureau Veritas in three countries (France, Italy and Spain).

*BNP Paribas' Label Diversité accreditation was renewed in France and gained in Belgium for the first time, and Positive Action status was awarded by the Luxembourg Ministry of Equal Opportunities. In the United States, BNP Paribas CIB New York was voted to be the "Best Place to Work for LGBT Equality" by Human Rights Campaign.*



## COMMITMENT 6. SOLIDARITY-BASED EMPLOYMENT MANAGEMENT

There are staff representatives and/or union representatives in **27 countries**, covering more than 84% of the Group workforce.

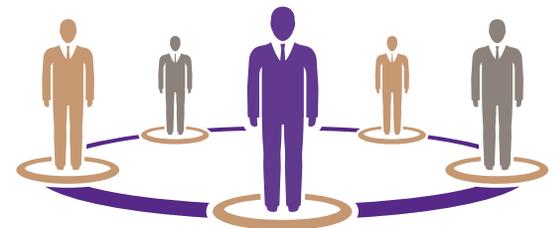


**148 collective bargaining agreements** were signed in 11 countries during 2012 covering a wide variety of areas.

*Internal mobility e-job adverts: with over 770,000 connections during the year, the site averaged 60,000 clicks per month by the 74% of employees who have access to the site in 30 countries.*



**First transnational employee-relations agreement** in the Group's history, between Executive Management, the European Works Council and European Union federations UNI and FECEC. It defines the common rules and approaches applicable to Group entities in the **20 countries** that make up the European Works Council, which will help to plan ahead for change and support transformation programmes with implications for jobs.





The e-learning programme now features **1,825 new modules**, taking the total to 2,718. They are available **in five languages** and to all employees. In 2012, 66,241 employees completed **238,962 modules**.



In nine countries, covering 48% of the Group's workforce, collective agreements were signed benefiting people with disabilities. In France, BNP Paribas SA signed its second **4-year agreement** to maintain jobs, which provided support for **228 employees**.



More than **three-quarters** of employees

working for entities/subsidiaries outside France with over 150 employees have **medical cover**, and over half are covered in the event of short-term **incapacity**. What's more, 16 countries have initiatives intended to combat occupational stress and psychosocial risks, which represents 63% of the workforce.

## PUBLIC POSITIONS

With a presence in 78 countries, BNP Paribas carries out its operations in full compliance with universal rights and principles as a signatory of:

- ▶ Diversity agreements on professional equality between men and women, on disabilities and on the employment of seniors
- ▶ The "Harassment and violence at work - BNP Paribas' commitment" agreement
- ▶ first pan-European employee-relations agreement
- ▶ agreements on disabilities

BNP Paribas' social commitment is also certified by:

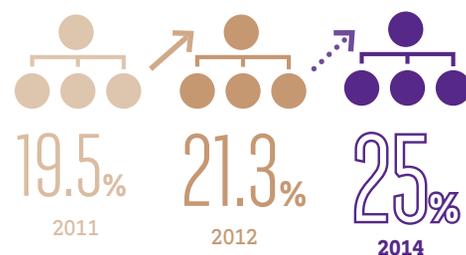
- ▶ the Label Diversité accreditation recognising BNP Paribas' commitment to combating discrimination and the promotion of diversity
- ▶ equality accreditation reflecting BNP Paribas Personal Finance's and BNP Paribas Cardif's exemplary gender equality practices

Finally, the Group has also sought to formalise its voluntary commitments in several areas:

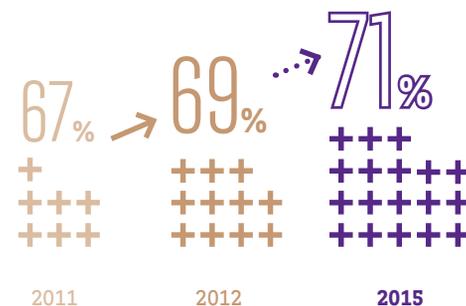
- ▶ the Training charter
- ▶ the UN Women's Empowerment Principles
- ▶ the Diversity charter
- ▶ the charter on parenthood

## INDICATORS AND OBJECTIVES

### Proportion of women appointed to senior management



### Proportion of employees with a positive opinion regarding implementation of the four management principles



### Number of movements between units and business lines



**Commitment 4**

# Recruitment and training

Despite a difficult environment, BNP Paribas continues to recruit and remains a popular employer. With 18,737 staff recruited, including more than 1,900 in France, the commitment to hiring more than 15,000 new staff in 2012 was comfortably met. At the same time, the Group continued its skills development through various educational initiatives.

## TRENDS IN THE WORKFORCE



At end-2012, the workforce managed by the Group totalled 188,551 FTE (full-time equivalent - financial headcount of 173,808 FTE; this was lower than the 2011 level (198,423 FTE) as a result of two large transactions, i.e. the transfer of Personal Finance Russia to Sberbank and the disposal of Klépierre, which reduced headcount by 4,760. At end-2010, the workforce managed by the Group totalled 196,279 FTE. In 2012, the Group's workforce featured 163 nationalities across 78 countries, and the breakdown by geographic region was relatively stable compared with 2011. The proportion of employees working in the four domestic markets (France, Belgium, Italy and Luxembourg) rose slightly to 53%.

» For more details, refer to the table showing trends in the workforce over the past ten years on p. 108.

## RECRUITMENT



### A leading employer

With 18,737 staff recruited worldwide, BNP Paribas comfortably met its commitment to hire 15,000 new staff in 2012 in spite of the challenging environment. With almost 60% of the new recruits in Europe, including 10% in France, BNP Paribas consolidated its European banking franchise. Nevertheless, the countries recruiting the most were, in decreasing order, the United States, Turkey, India and France,

(1) FTE staff weighted according to the employer's consolidation method.

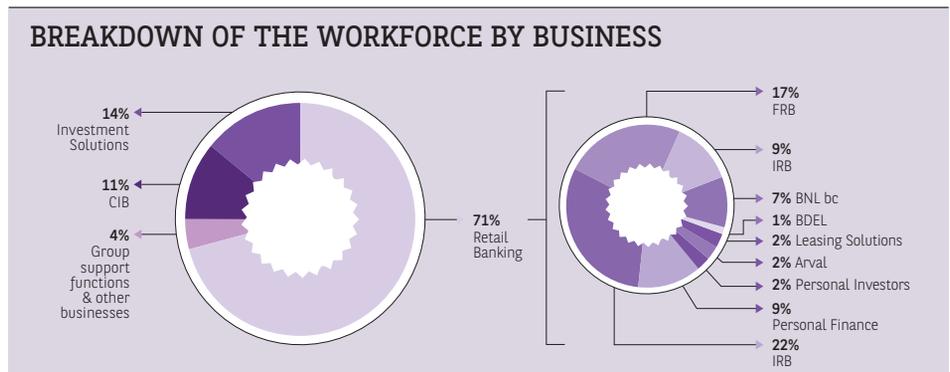
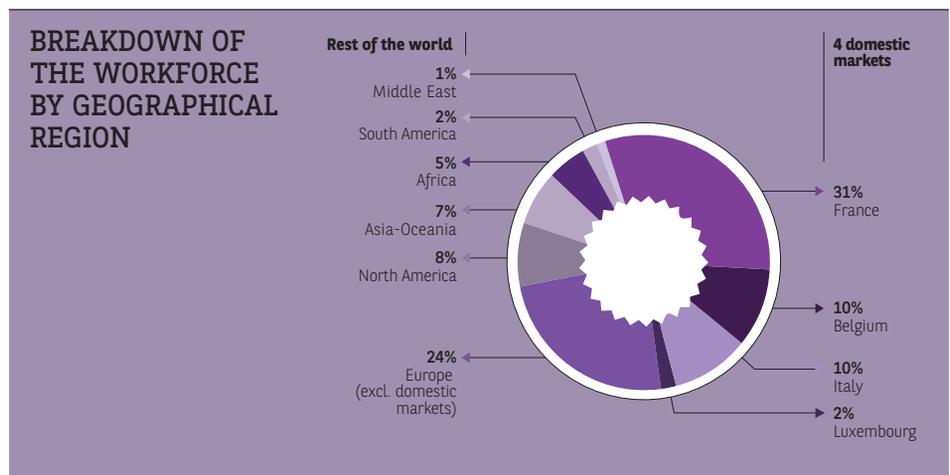
followed by Russia, Ukraine and Belgium. External recruitment therefore remains at a high level, even though internal mobility is the priority.

» For more details, refer to the table showing trends in the workforce over the past ten years on p. 108.

## Employer brand

The Group ranks:

- 6<sup>th</sup> in France (Universum university survey);
- 7<sup>th</sup> in Belgium (TNS survey);
- 7<sup>th</sup> in Italy (Cesop Communication among young graduates).



## Partnership policy with schools and universities

The Group invests heavily in young people. It is building relationships with universities and schools to improve awareness of all its available careers, and to foster the professional integration of young people.

### France

The Group hired 1,574 people on work-study programmes (11.6%), taking the total to 2,339 at end-2012. These young people on diploma and masters' courses receive training in their future occupation and gain the necessary experience to ensure that they are fully prepared to work once they graduate. In 2012, the Group hired 52% of the eligible applicants on work-study programmes on a permanent contract. To reach young people through a comprehensive digital media presence, the Group launched in France its Facebook and Pinterest pages in summer 2012. Its Twitter account is ranked as the 5<sup>th</sup> most influential HR account by Althéa.

### Belgium

BNP Paribas Fortis continued its dynamic and creative approach to attracting candidates by launching two new features on its Facebook page: the Social Scan application, which takes a light-hearted look at how our Facebook friends perceive the Group, and a web series entitled "sh\*t applicants say", which parodies job interviews in an intentionally exaggerated way.

### Italy

BNL sealed a global partnership with Bocconi University in Milan, the main aim of which is to recruit interns into the Group's various businesses several times per year. In Italy, the Group again held its BNL Recruiting Day and OrientaMente events, which enable BNL to receive thousands of CVs from students wanting to take part in recruitment and coaching sessions.

“

Make sure employees fulfil their potential and are happy to be stakeholders in BNP Paribas' corporate project.”

**Yves Martrenchar**  
HR Manager  
of the BNP Paribas Group



**You were named HR Manager of BNP Paribas last September. What were the first things you did?**

I have worked for BNP Paribas for a long time, and my duties focused on customers and management. I have got to know BNP Paribas' retail teams around the world, but am less familiar with the CIB and IS teams. So I went to meet them, travelling to London, New York, Singapore and Hong Kong, and I will keep on doing so, because I need to get out and see people.

**What are the main HR challenges over the next three years?**

HR needs to help the Group to adapt to its new economic and regulatory environment, which involves active internal mobility, training and change management policies. Employees do not have the same expectations today vis-à-vis the Bank as they used to.

We need to analyse these new types of behaviour, working methods and sources of motivation. In addition, we need to spend more time and energy on managing men and women and leave more space for listening to them and discussing issues. Lastly, promoting diversity remains a key priority within BNP Paribas.

**How can a group such as BNP Paribas meet the challenges raised by mobility?**

Managing the workforce requires unstinting dedication to building up movements between business lines and entities. Before recruiting new staff, we now look for candidates from within BNP Paribas. There are two reasons for this. We want to support the Group's transformation and adjustments, as well as developing our employees' career.

## » UNITING TEAMS AROUND THE GROUP'S VALUES

BNP Paribas' core values, adopted in 2000, express a desire to rally all employees around the Group's strategic goals. They are intended to bring together men and women from diverse backgrounds, giving them a strong sense of belonging to the Group. They are action-focused in both their individual and collective behaviour.

### » Responsiveness

Speed in the assessment of new situations and developments, identifying opportunities and risks; efficiency in decision making and in action.

### » Creativity

Promotion of initiatives and new ideas; rewarding their originators for their creativity.

### » Commitment

Commitment to the service of clients and collective accomplishment; lead by example.

### » Ambition

Aspiration for challenge and leadership; desire to obtain team success in a competition in which the referee is the client.



**GLOBAL:** BNP Paribas disseminates the Group's culture through the BNP Paribas Campus and Group academies.

## ABSENTEEISM

The Group's absenteeism rate<sup>(1)</sup> based on 21 countries representing 69% of the Group workforce, was 2.6% in 2012, in addition to an absenteeism rate of 2.8% for maternity/paternity leave. In the domestic markets, the rate was 3.5% in France plus 2.2% for maternity/paternity leave (3.5% and 2.1% in 2011); 2.5% in Italy plus 1.6% for maternity/paternity leave (2.6% and 2.2% in 2011); 2.7% in Belgium plus 0.5% for maternity/paternity leave (3.6% and 0.8% in 2011) and 2.5% in Luxembourg plus 1.2% for maternity/paternity leave (4% and 2.8% in 2011).

## TRAINING

The corporate culture within a large group strengthens the sense of belonging and increases employee loyalty. Training is used to spread this corporate culture throughout the Group, and it has developed cross-discipline training tools in its various geographical regions.



## Forging and strengthening the Group's corporate culture

### The BNP Paribas Campus<sup>(2)</sup>

It focuses on building skills and providing a forum for sharing ideas and nurturing the corporate culture. In 2012, almost 30,000 interns attended the centre to take part in integration seminars, business-specific courses, cross-discipline training programmes and major Group events.

### Group Academies

To strengthen the corporate culture and managerial performance, BNP Paribas has set up two academies—the Risk Academy and the Management Academy.

- Risk Academy: after setting up a governance structure involving a steering committee made up of business-line representatives, the Risk Academy continued to grow in 2012 by disseminating fundamental risk management practices. In addition, it introduced the Risk Essentials programme,

(1) Absenteeism includes illnesses, accidents, occupational illnesses and other authorised paid leave.

(2) Information about the Campus is available in French, English, Italian and Dutch at <http://www.campus-louveciennes.bnpparibas.com>

created new e-learning modules and organised conferences. These resources are intended to be used in the various business lines, and to be extended in line with identified requirements.

- The Management Academy is aimed at senior managers, who play a key role in influencing the Group's managerial culture. The academy objectives are to:
  - reinforce the sense of belonging to the Group;
  - disseminate strategy and ways of analysing the environment;
  - encourage managerial development in connection with the four management principles.

The Academies are supported by an intranet portal, conferences and training resources.

### Training for greater professional efficiency

Against the backdrop of a persistently challenging environment for the banking industry, every employee needs to help the Group meet the five challenges identified (image, commercial, managerial, regulatory and value-creation). The Group relies on the commitment of each employee to promote skills development and a Training Charter has been developed to support this. The charter sets out the roles and responsibilities of the various participants, explains the tools available to staff and reiterates the training's objectives:

- Valuing and retaining employees;
- Conveying the corporate culture and strategic vision of the Group;
- Enhancing employees' performance levels;
- Developing employees' employability and mobility within the Group.

Managerial training is particularly important and offered at Group level and in various countries—including Belgium, Italy, Turkey and the United States—as part of courses involving several learning modules.

The Group is committed to developing a balanced range of teaching methods for all its training efforts, while favouring seminars, which provide the opportunity for experimentation and interaction. It provides staff with various teaching resources, using a blended learning approach that combines various types of distance learning with classroom teaching.

» For more details, refer to the tables showing training indicators on p. 108.

### Retaining and motivating employees in the long term

The Group pays special attention to integrating new employees. The Group's integration efforts ensure that the initiatives adopted by the regions and business lines are pursued consistently. They are supported by a dedicated intranet site in four languages.



### My Development

**GLOBAL:** *The My Development space gives employees access to training throughout their career.*

E-learning  
**1,825**  
new modules added in 2012

### » FOUR MANAGEMENT PRINCIPLES

#### » Client Focus

To inspire our people to focus in an innovative way on the client first, as the interest of the client is always at the centre of our action.

#### » Risk-Aware entrepreneurship

To undertake initiatives for development and efficiency while being accountable, acting in an interdependent and cooperative way with the other entities to serve the global interest of the Group and its clients, being continuously vigilant of the risks related to our area of responsibility and to empower our people to do the same.

#### » People Care

To care for our people, by showing them respect, promoting equal opportunities, acknowledging performance and developing their talents and skills.

#### » Lead by Example

To set an example through our own behaviour and ethics by upholding the law, applying the compliance rules and behaving in a socially responsible way.

Commitment 5

# Diversity

*BNP Paribas' diversity policy is based on one key principle: valuing each individual and respecting all differences. To achieve this objective, the Group must prevent risks and combat discrimination, while abiding by each country's laws and cultures. As part of the Group commitment, communicated to all staff in 2007, discrimination was defined as one of 30 major operational risks.*

Women accounted for **20%** of senior management at end-2012: target exceeded.

Next target: **25%** by end-2014.

## WITHIN THE GROUP

### Diversity in executive bodies

#### Board of Directors

At 31 December 2012, women made up 35.7% of the 14 members of the Board of Directors elected by shareholders. The Board also has two Directors elected by employees, one of whom is a woman.

#### Executive Committee

In 2012, one woman - Marie-Claire Capobianco - and three non-French members sat on the Executive Committee, with non-French members making up 16.7% of the committee. The Group's 100 top executive managers now include eight nationalities, 11 women and 23 non-French people. They work in 14 different countries.

#### Women and international representation in senior management <sup>(1)</sup>



The objective of 20% of the Group's senior management positions being held by women by the end of 2012 was exceeded (compared with 16% in 2009). A new target of 25% of senior management positions being held by women by 2014 has been set.

The composition of senior management reflects the Group's increasingly international dimension with 52 nationalities represented in 59 countries and 38% of senior managers being non-French.



**GLOBAL:** BNP Paribas undertakes to promote diversity within the Group.

(1) The Group's senior management consists of staff occupying the 2,200 positions regarded by Executive Committees in all business lines/operating entities/Group functions as having the greatest impact in strategic, commercial, functional and expertise terms.



**GLOBAL: 38% of senior managers are non-French**

### Anti-discrimination policy and measures to promote gender equality

A Diversity governance organisation has been set up, with 26 Diversity Officers in charge of deploying the diversity policy in each of the Group's business areas and countries worldwide. A Group Diversity Committee was set up in October 2012 and will meet twice a year.

The results of the **Global People Survey (GPS)** show an ongoing improvement in employees' perception of the Group's diversity initiatives: 62% had a positive perception in 2012, an increase of 7 points over the past four years.

**BNP Paribas CIB** has adopted various diversity initiatives, including the creation of a Global Diversity Leadership Council (GDLC), which aims to ensure that diversity is properly taken into account in the Human Resources strategy and within business lines. In addition, the Women's Leadership Initiative (WLI) is a one-year programme intended to increase the number of women in executive positions. Lastly, CIB has introduced an equal opportunities training module entitled "Managing for equal opportunities". The aim is to raise managers' awareness of the Group's anti-discrimination policy.

**BNP Paribas Real Estate** has launched the international Women in Leadership programme, with a specific training course for 40 European women identified as having potential in BNP Paribas Real Estate.

**BNP Paribas Personal Finance** is the first French company to obtain accreditation for the first Gender Equality European Standard, awarded by Bureau Veritas in three countries (France, Italy and Spain).



Staff can take part in a **number of training sessions and awareness-raising initiatives** dealing with diversity, which cover 12-17 countries depending on the theme. These initiatives are sometimes formalised in collective agreements, which cover 5-12 countries.

### Networking

The BNP Paribas MixCity association has been a big success, with 700 members in France, close to 900 in Belgium (17% male) and around 200 in Italy. New women's networks have been set up in several countries

(Luxembourg, Italy, Hong Kong and Singapore) alongside those that already existed in Bahrain, London and New York. In addition, increasingly strong links have been forged between these networks. Eleven countries now have women's or equal opportunities networks, five have networks based on ethnic origin, three based on age diversity and two based on sexual orientation.

### Measures to promote the employment and integration of people with disabilities



In nine countries, covering 48% of the Group's workforce, collective agreements were signed benefiting people with disabilities. The Group had more than 2,600 employees with disabilities in 2012 across 17 countries, and it recruited more than 100 people with disabilities in seven countries during the year. Outside Europe, in countries where the Group has more than 500 employees, only Japan and Brazil report employees with disabilities among their staff.

» For more details, refer to the tables showing Diversity indicators on p. 109.

In Luxembourg,  
**34** initiatives promoting  
 gender equality were launched.

## LOCAL INITIATIVES

### France

BNP Paribas secured the renewal of its **Label Diversité accreditation** for a four-year period starting in July 2012. A new subsidiary, BNP Paribas Personal Investors, joined the Group. A “serious game” on the theme of diversity was distributed among French Retail Banking’s 2,300 branch managers, in order to promote the BNP Paribas Spirit of Diversity. As part of its parenthood policy, initiatives were launched by several Group entities in France and abroad, involving employees’ children. In France, women make up 45% of managers and 30% of executives in France.

**The main aim of the agreement signed by BNP Paribas SA is to offer two ways for older people to work part-time to supplement their income in order to manage the transition between work and retirement, by reducing working hours towards the end of their careers.**

**BNP Paribas SA’s second four-year agreement covering the employment of people with disabilities** between 2012 and 2015 yielded good results in 2012, with 46 people with disabilities recruited in pursuit of the four-year target of 200 (170 between 2008 and 2011). Support was also provided to 228 employees with disabilities in 2012 to enable them to stay in work (138 in 2011). This is a vital part of its policy, and the



**GLOBAL:** *The Group has set objectives helping its female employees to climb the career ladder.*

number of support arrangements rose by 53% in 2012 and has risen ten-fold since 2008. BNP Paribas SA now employs 1,088 people with disabilities, and the number has been rising constantly since 2007 (983 in 2011). People with disabilities now make up 3% of this company’s workforce (2.8% in 2011). The Mission Handicap team arranges training and conducts awareness-raising initiatives.

**BNP Paribas is strengthening its policy to support the employment of people with disabilities**, both directly and indirectly via specialist companies. This is an important social responsibility issue. The number of disabled beneficiary units (calculated on the basis of each employee’s situation) is 1,259.14, and the number of additional units resulting from work outsourced to disability-oriented social enterprises and support-through work organisations was 25.6, making a total of 1,284.74 units compared with 1,166 in 2011.

**In addition to renewing its Label Diversité accreditation and its Professional Gender Equality Label accreditation for the second time, BNP Paribas Personal Finance** focused on disabilities in 2012 after signing its first agreement in 2011: 14 disabled people were recruited, 60 employees with disabilities were kept in work and over 300 managers attended awareness-raising sessions. A third Diversity Day was also held to change employees’ perception of disabilities through workshops led by specialists and, for the second consecutive year, the business gained the Trophée de la Diversité in the Communication category for its disability information and training campaign.



## Belgium

**BNP Paribas Fortis is the only bank in Belgium** to have gained Label Diversité accreditation in the Brussels region. This accreditation is valid for two years and recognises all the efforts made by BNP Paribas Fortis in the last two years to combat all forms of discrimination. The policy implemented by BNP Fortis since 2009 includes the upgrade of 100 branches to incorporate disabled access, with 80 disadvantaged young people given summer jobs (40 in 2011) and women appointed as branch managers reached 48% in 2012, versus 51% in 2011. BNP Paribas Fortis continued to roll out its mandatory anti-discrimination e-learning course, and 3,700 managers staff had taken the course by end-2012, or 90% of the target audience.

## Italy

**As well as setting up its women's network, BNL initiated its moms@work project**, which supports women returning from maternity leave and provides training to managers and members of an equal opportunities committee. It also started a competency-based mobility project, which aims to help people with disabilities gain promotion.

## Luxembourg

**BGL BNP Paribas' management and staff representatives signed an industry charter in support of diversity and equal opportunities.**

A Luxembourg 2012-2015 Diversity Plan, defining three priority areas (gender, age and customer diversity) was approved by BGL BNP Paribas' Board of Directors. A Diversity Officer was appointed covering all entities, along with a Luxembourg diversity committee. In July 2012, BGL BNP Paribas obtained positive action accreditation from Luxembourg's equal opportunities ministry for its 34-point plan in favour of gender equality.

“  
BNP Paribas Fortis  
is the only bank  
to have gained  
Label Diversité  
accreditation.” ”

**Claire Godding**  
Head of Diversity,  
BNP Paribas Fortis



**What measures does your Diversity action plan contain?**

We have devised a business-oriented action plan with clear objectives:

- avoid all forms of discrimination, through mandatory training and quarterly audits;
- keep a tight grip on the diversity of our customers, while monitoring branch accessibility issues;
- improve the gender balance of our teams and recruit people from a wide variety of backgrounds;
- promote diverse careers taking individual needs into account.

These initiatives were rewarded, and we are the only bank to date to have gained Label Diversité accreditation in the Brussels region.

**How are the business lines participating in this plan?**

We set up Diversity business groups at our main local units. Made up of representatives from the business lines, human resources and a coordinator, their role is to implement concrete initiatives geared to local diversity needs.

**How are you raising employees' awareness?**

We take action at every level. Our HR staff and managers are obliged to follow an e-learning module reiterating the anti-discrimination legislation and how it applies to the life of the business. We also provide online training for all our staff, which has already been delivered to more than 14,000 staff, or 80% of our workforce.

## United Kingdom

After Baudouin Prot signed the Women's Empowerment Principles (WEP) in March 2011, BNP Paribas became a partner of the WEP in the United Kingdom and organised its first Diversity Week, aimed at strengthening its commitment and promoting staff awareness and support for diversity issues. BNP Paribas is the first European bank to organise this type of event. In all, 28 sessions were held on the theme of Diversity of Thought. The results are encouraging since 76% of participants stated that they want to participate at the next edition. The London diversity team was also nominated in the Diversity Team of the Year category in the European Diversity Awards. The LGBT(1) networks in London and New York joined forces, and both are now called Pride. They have seen rapid growth and have organised numerous events. Expansion into Asia is now planned.



**UNITED KINGDOM:** This year, BNP Paribas UK celebrated diversity by organising a Diversity Week.

## United States

BNP Paribas CIB was named the “Best Place to Work for LGBT<sup>(1)</sup> Equality” by Human Rights Campaign.



## Gulf region

CIB launched an Office Training Incubator in October 2012. This professional training programme will see 15 people with disabilities acquiring theoretical and practical skills that will help them advance their careers.



**GLOBAL:** 26 Diversity Officers in charge of the Diversity policy.

(1) Lesbian Gay Bisexual Transexual.

## Commitment 6

# Solidarity-based employment **management**

*Training and internal mobility helped to avoid compulsory layoffs in domestic markets thanks to innovative labour agreements. The Group also took steps to leverage talent as part of its career management policy and continued to pursue a policy of offering competitive compensation and employee benefits.*



## » GLOBAL PEOPLE SURVEY

### » 84% of employees are proud to belong to the Group

This annual survey showed a record participation rate of 71% among the 173,835 employees surveyed (+7 points) with 68 questions asked in 21 languages across 69 countries. The results showed that the proportion of staff who are proud to belong to the Group remains at high level of 84%, despite the crisis.

Employee confidence in the Group's management rose by 2 points to 72%, and 64% believe that management decisions are consistent with BNP Paribas' values (up 2 points).

The survey also showed a significant improvement in employees' perception of local management. The overall score for the Group's management principles rose by 2 points to 69%.

Two open questions: "What would you most like to change in your company and how?" and "What do you like most about your company?" generated over 95,000 comments.

## QUALITY EMPLOYEE - MANAGEMENT DIALOGUE



There are staff representatives and/or union representatives in 27 countries (including members of the European Works Council), covering more than 84% of the Group workforce. More than 600 official meetings (excluding France and the European Works Council) were organised between these representatives and management. This resulted in 148 collective agreements in 11 countries in areas as varied as compensation and employee benefits, employment, disabilities, health and safety at work, diversity and even harassment and remote working. Agreements on compensation and employee benefits were signed in ten countries covering 57% of the workforce, and agreements on employment, aside from the European agreement, were signed in nine countries covering 55% of the workforce. Outside Europe, collective agreements were signed in Morocco, Singapore and Brazil. Algeria, Australia, India and Ukraine also have staff and/or union representatives.

» For more details, refer to the tables showing collective agreements signed on p. 109.

## EMPLOYMENT MANAGEMENT

In Europe, **employee-management dialogue** involved the presentation and discussion—both locally in the countries concerned and continent-wide via the European Works Council—of various adaptation plans for the

CIB, Investment Partners, Leasing Solutions and Personal Finance businesses. Arrangements for the adaptation plans complied with BNP Paribas' commitment to socially responsible restructuring.

This BNP Paribas commitment was strengthened by the signature in July 2012 of the first transnational employee-relations agreement in the Group's history, between Executive Management, the European Works Council and European Union federations UNI and FECEC. The agreement defines the common rules and approaches applicable to Group entities in the 20 countries that make up the European Works Council:

- The approach and resources adopted to anticipate change, by preparing employees for future developments and enabling them to envisage solutions to their particular situations;
- Support for employees as part of entities' transformation programmes where they have an impact on employment.

In particular, as regards providing information about changes, the agreement invites local management teams to go beyond statutory and regulatory obligations.

In the event of a major organisational change with significant implications for employment, management is committed to avoiding collective redundancies and to prioritising alternative measures.

This text is the first part of a European employee relations charter "which is intended to expand over time to cover other themes". Accordingly, the Hungarian business decided in April 2012 to set up a works council.



**GLOBAL:** *Employee-management dialogue is a priority for BNP Paribas.*

E-jobs: in 2012,  
**3,641**  
job adverts were published  
around the world.



**GLOBAL:** *Through the e-jobs system, the Group is seeking to encourage internal and international mobility.*

## ACTIVE MOBILITY POLICY

To promote internal mobility and provide an **effective response** to the needs of business lines and employees' career development expectations, the Group adopted ten mobility principles in late 2012. In particular, when filling vacancies, priority will be given to internal candidates before people are recruited externally.

**BNP Paribas stepped up efforts to develop tools**, IT resources and practices in support of mobility. In particular, this includes e-jobs, an internal, international mobility resource that was deployed in ten new countries and entities in 2012. As a result, 74% of Group staff in 30 countries now have access to the jobs advertised. **In 2012, 3,641 job opportunities were advertised worldwide**, 2,228 were filled (71% by internal candidates) and 13,124 applications were received. E-jobs attracted more than 776,700 employee connections in 2012, averaging 60,000 per month.

A **Group behavioural skills catalogue** listing 34 common behavioural skills within the Group was created, and was integrated within various HR management tools.

## CAREER MANAGEMENT

### **Leveraging all talent**

Career management forms part of the policy defined by the Group's **Human resources department** and is based on a general principle of decentralisation. Particular attention is paid to two specific categories of employee, i.e. senior management and high potential employees, who represent the Group's future.

**The hard work that has been done since the integration of BNP Paribas Fortis continued in 2012**, including the November launch of a new IT system supporting career management activities.

## » CSR PRESENTATION TO THE CENTRAL WORKS COUNCIL AND EUROPEAN WORKS COUNCIL

BNP Paribas' Central Works Council and European Works Council spent a half-day session considering CSR issues. The European Works Council was joined by local CSR managers and extra-financial ratings agency Vigeo, which presented its ratings methodology, with a special focus on HR policies. After this meeting, the European Works Council decided to set up a working party to outline its CSR specifications in even greater detail.

### Talent Development Program

The Talent Development Program (TDP), which covers more than 2,500 high-potential staff representing around 70 nationalities, continued its geographical expansion in 2012. It is now operational in more than 60 countries. The Group's three training programmes in 2012 were attended by:

- 100 experienced high-potential staff under the Leadership for Development programme;
- 179 staff under the Go to Lead programme;
- 67 junior high-potential staff under the Share to Lead programme.

**Numerous initiatives were launched in 2012**, such as mentoring, special training courses, events/meetings with top management, specific assignments and the development of local succession plans. The greater number of these initiatives in 2012 enabled the Group to cover more than half of its high-potential staff.



BNP Paribas' employees want to be able to say to their customers: 'Look, our bank is not what certain people imagine it to be'."

**Ana Andrade**  
Secretary of the European Works Council



#### What expectations does the European Works Council have concerning CSR?

The European Works Council has raised the issue of the financing provided to certain businesses in sensitive sectors and would like BNP Paribas to play a role in changing practices in certain industries and introducing responsible ethics, with the same energy that has been devoted to tackling money-laundering.

The European Works Council would like BNP Paribas to be ambitious in this area, while remaining faithful to its values, and lead the way, by going beyond the regulations in this aspect of social responsibility.

Across Europe, most BNP Paribas employees share this point of view and want to be able to say to their customers: 'Look, our bank is not what certain people imagine it to be'".

## A COMPETITIVE COMPENSATION AND EMPLOYEE BENEFITS POLICY

### Compensation and adjustments

Work performed, skills, involvement in assigned tasks and responsibility are compensated through a fixed salary which depends on employees' experience and market practices for each business. Variable compensation levels are determined by individual and collective performance over the year, based on the objectives set.

More generally, the Group's compensation policy is founded upon principles of fairness and transparency, which are supported by a single worldwide compensation review process, a rigorous delegation system and a stronger governance framework, including the Compliance, Risk and Finance Committee, Executive Management and the involvement of the Board of Directors' Compensation Committee.

In 2012, the Group's personnel costs totalled more than EUR 15 billion, similar to the figure in the previous year. In France, average gross annual compensation was EUR 51,477 (fixed and variable), as opposed to EUR 51,075 in 2011.

### Compensation policy compliant with regulations

Under CRD III<sup>(1)</sup> and French executive order 97-02, the Group's compensation policy was adjusted to ensure consistency between the behaviour of employees whose professional activities are likely to have a material impact on the Bank's risk profile and the Group's long-term objectives, in particular with regard to risks.

In accordance with this policy, a substantial portion of variable compensation is deferred

over three years, with payment subject to conditions at the end of each year, and failure to meet these conditions may lead to the partial or total loss of the given year's amount. Variable compensation is also partly indexed to BNP Paribas' share price in order to align the interests of beneficiaries with those of shareholders.

For employees concerned, more than 45% of variable compensation for 2011 was deferred beyond 2012, and almost 50% was indexed to performance of the BNP Paribas share price. Disclosures relating to members of the Executive Management team and individuals whose professional activities have a material impact on the Bank's risk profile (information required to be made public by article 43-1 of French regulation 97-02) are available on the website at <http://invest.bnpparibas.com/en>.

(1) Capital Requirements Directive.



### »» INTEGRATION OF EXTRA-FINANCIAL CRITERIA IN VARIABLE COMPENSATION

For the first time in 2013, BNP Paribas awarded a 3-year incentive plan called ISIS ("International Sustainability and Incentive Scheme"), with settlement due to be made in June 2016. The major innovation in this plan resides in the fact that 20% of each beneficiary's award is contingent upon achieving targets related to the corporate social responsibility (CSR) policy. These criteria are based on the four pillars of the Group's CSR and cover the promotion of women to senior management roles, the inter-business and inter-entity mobility rate, and the reduction in the environmental footprint associated with the Group's operation. Executive Management firmly believes that making payments contingent upon compliance with CSR objectives will help to make BNP Paribas a responsible bank over the long term.

ISIS is intended to reward, retain and motivate the Group's best talent, including senior managers, managers in key positions, line managers and technical experts, high-potential managers, high-performing young managers with good career development prospects, and major contributors to the Group's results. In 2013, the plan will have more than 5,000 beneficiaries across all the Group's businesses and functions in close to 70 countries.

**GLOBAL:** BNP Paribas' compensation policy is based on the principles of fairness and transparency.

## An array of employee benefits

### Protection benefits

In addition to benefits paid in accordance with legislation and company agreements in the various countries in which the Group operates, BNP Paribas may grant additional benefits to its staff and their families. **More than three quarters of employees working for entities/subsidiaries outside France with over 150 employees have medical cover,** and over half are covered in the event of short-term disability. The Group also offers flexible benefits, enabling employees to select the desired level of cover from among a number of options.

### Pension and savings plans

In many countries, employees are covered by defined-contribution pension plans. Through these plans, they build savings, and the resulting capital is used to supplement any pension paid by mandatory local systems when they retire. Outside France, more than 75% of Group entities with over 150 employees offer such plans.

In France, the Group supports its employees' savings efforts through an employee savings plan and a retirement savings plan. In 2012, employer contributions to these savings plans totalled around EUR 51 million, including EUR 14 million for the retirement savings plan. Most employees are also covered by funded pension plans that supplement pensions paid by national systems.

### Employee share ownership

As in previous years, BNP Paribas carried out a capital increase reserved for employees. Of the 169,000 employees eligible, more than 46,000 across 68 countries bought the shares, i.e. 27% of those eligible.

In addition, more than 5,000 key Group employees were awarded performance shares in 2012 under plans lasting three to five years. Some or all of these shares vest subject to performance conditions.

At end-2012, the percentage of Group capital held directly or indirectly by Group employees was 6.1% (6.2% in 2011).



**FRANCE:** In France, the Group supports its employees' savings efforts through a retirement savings plan.

### Employee profit-sharing plans

- **In France**, in respect of 2012 performance, EUR 138 million and around EUR 145 million will be paid to 68,000 Group employees under the profit-sharing and incentive plans, compared with EUR 128 million and EUR 204 million respectively to 69,000 staff for 2011.
- **In Belgium**, a so-called "collective" portion of BNP Paribas Fortis' variable compensation depends on attaining sustainable development objectives. Objectives were attained in 2012 and a total of EUR 19.5 million was paid to more than 18,000 employees.
- **In Italy**, BNL paid around EUR 35 million to its employees under the collective variable compensation plan.
- **In Luxembourg**, local legislation makes no provision for incentive plans. In 2012, however, BGL BNP Paribas paid its non-executive employees incentive bonuses totalling more than EUR 2.8 million.

## PROTECTING EMPLOYEES' HEALTH

### Occupational health and safety; overview of agreements signed

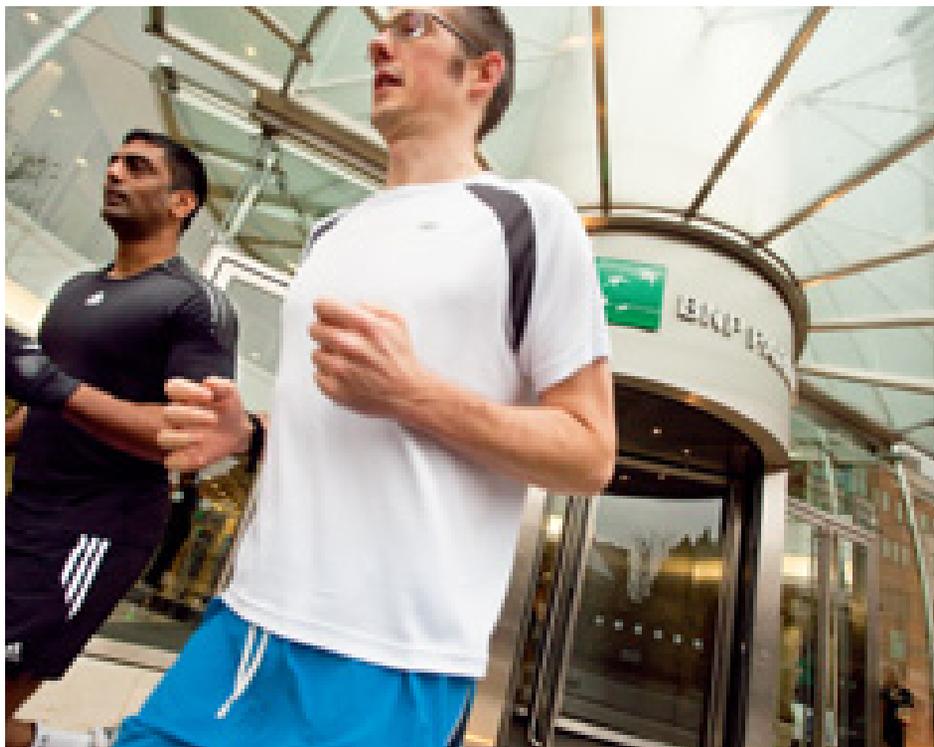
Employees are covered by protection plans offered by the Group in 23 countries where the Group has more than 500 employees, representing 76% of Group headcount. Eight countries have signed collective agreements regarding health and safety at work, covering 45% of Group headcount, while 22 countries conduct training and awareness-raising efforts in this area. Sixteen countries have initiatives to combat work-related stress, covering 63% of Group headcount, and 11 countries covering 56% of Group headcount have adopted other initiatives, most of which are accessible to all staff.

### Accidents at work and occupational illnesses

In the 23 countries that reported accident at work data in 2012, covering 76% of Group headcount, 1,860 accidents at work occurred in 14 countries, including one fatal accident. This equates to an accident frequency rate <sup>(1)</sup> of 4.17 and an injury severity rate <sup>(2)</sup> that is not material. In the domestic markets, there were 563 accidents at work in France, representing a frequency rate of 3.2 (583 and 3.2 in 2011); 381 accidents in Belgium representing a frequency rate of 7.9; 279 in Italy representing a frequency rate of 5.6; and 84 in Luxembourg. No cases of significant occupational illnesses were identified.

(1) The frequency rate is the number of work related accidents per 1 million hours

(2) The severity rate (0.06) is the number of days lost per 1,000 hours worked.



**WORLDWIDE:** *Protecting employees' health is a priority for BNP Paribas.*

### France

#### Harassment and violence at work

All employees were informed of the 2011 agreement entitled "Harcèlement et violence au travail - BNP Paribas s'engage" ("Harassment and violence at work - BNP Paribas' commitment"). Psychological support was provided to 26 victims of violence, compared with 15 in 2011.

#### Prevention of occupational risks

Appropriate measures are taken to prevent occupational risks related to information, training, ergonomics and warnings. In the Paris region, the Group continues to provide care for employees who are the victims of violence, and this is an integral part of an agreement with the Paris emergency response service. The beneficial effects of this initiative can be seen in the reduction in both the number and length of absences in the wake of attacks and in requests for job transfers after an attack.

#### Public health issues

The Occupational Health Department continued its illness prevention efforts. These include a Wellbeing at work week, blood donor sessions, support for staff who are at risk or have become unfit for work, and annual medical check-ups for staff over 55.

#### Prevention of work-related stress

In 2012, almost 12,000 staff at BNP Paribas SA and its subsidiaries took part in tests carried out by OMSAD (a medical observatory monitoring stress, anxiety and depression). A consultation service was set up in 2010, and dealt with 94 staff in 2012, providing 167 consultations (unchanged relative to 2011). E-learning modules have been introduced to raise managers' awareness of work-related stress. In French Retail Banking, following the announcement of a workforce adjustment plan, 35 Investment Partners staff received support from Préventis psychologists through 54 consultations. With its 34 social workers, the social assistance department supports the wellbeing of all employees.

## Belgium

The themes of health, safety and environmental risks are covered every month in Health, Safety and Environment Committee meetings. Serious matters are also discussed every half-year, with HR managers and Executive Management. Medical supervision was provided to 8,250 staff in 2012 (5,200 periodic examinations, 1,000 preventative examinations, 760 examinations for new recruits and 640 stand-alone consultations, etc.). Support was provided to 850 staff with long-term illnesses (lasting more than a month). Awareness was raised concerning work-related stress. An analysis was conducted of work-related stress arising from the major reorganisations in progress. The social workers dealt with 800 cases.

## Italy

Medical check-ups are obligatory for certain employee categories and are also available upon request. 1,572 employees received mandatory check-ups, with another 36 given to them on request. Stress risk assessments are compulsory. BNL has set up a special two-stage process: a training stage involving around 600 managers and an awareness-raising stage involving around 4,400 staff, equal to 38% of BNL's workforce. Staff received more than 6,500 hours of training on health and safety at work in 2012. BNP Paribas Securities Services and the Milan branch offered staff a joint stress management programme, in conjunction with an external consultant. 70% of staff completed a questionnaire. Stress-management

techniques were suggested to all staff, and training was provided to managers to help them deal with difficult situations.

## Luxembourg

Employees are offered a full medical check-up every five years from the age of 40, an annual flu vaccination programme is organised, and eye tests are provided every three years. A dedicated HR team, working with an occupational health organisation, supports staff with long-term illnesses and provides assistance with professional and personal difficulties.



**GLOBAL:** *Employee wellbeing is of crucial importance to the Group.*

## OUR CIVIC RESPONSIBILITY

# COMBATING EXCLUSION, PROMOTING EDUCATION AND CULTURE

*BNP Paribas plays a committed role in society: it adds its support to many initiatives to combat social exclusion and nurture education and culture. In its civic responsibility, the Group uses all the tools at its disposal as a banker, employer and philanthropist to foster the sustainable and harmonious development of society.*



### Commitment 7

COMBATING EXCLUSION  
AND SUPPORTING SOCIAL  
ENTREPRENEURSHIP

Proactive support for social entrepreneurship;  
support for vulnerable customers; strong and  
sustainable involvement in sensitive urban areas

### Commitment 8

CORPORATE PHILANTHROPY  
POLICY FOCUSED ON EDUCATION,  
HEALTH, CULTURE AND  
SOLIDARITY

Over 2,000 projects supported representing  
an overall budget of close to EUR39million

### Commitment 9

COMPLIANCE WITH THE UN'S  
GUIDING PRINCIPLES  
ON HUMAN RIGHTS

Support for our employees in sensitive countries,  
with particular attention paid to selection  
of our suppliers and counterparties



◀ Commitment 7

Loans were provided to over 150,000 micro-entrepreneurs in 2012 in 19 countries.



Commitment 8 ▶

Over EUR 10 million of the corporate philanthropy budget devoted to education.



◀ Commitment 9

BNP Paribas published its Statement on Human Rights in 2012.

## OUR CIVIC RESPONSIBILITY

### COMMITMENT 7. COMBATING EXCLUSION AND SUPPORTING SOCIAL ENTREPRENEURSHIP

#### BNP Paribas-Adie partnership

Close to  
**5,500**  
microloans  
were provided  
by Adie as part of  
Projet Banlieues...



leading to the  
creation of  
**4,500** jobs.



paving the way for  
the creation of over  
**3,500**  
businesses at the  
relevant locations...



*BNP Paribas has undertaken to triple the volume of outsourcing agreements it signs with disability-oriented social enterprises and support-through work organisations by 2015.*



In Belgium, the Braille League designated BNP Paribas Fortis and Fintro as **the first Belgian bank** to have cash dispensers with vocal prompts to guide the unsighted and enable them to carry out banking transactions.

### COMMITMENT 8. CORPORATE PHILANTHROPY POLICY FOCUSED ON EDUCATION, HEALTH, CULTURE AND SOLIDARITY



**36,800**

hours of skills-based  
voluntary support  
were provided in 2012  
by BCS and MFSE, two  
charitable associations  
within the Group.



The **BNP Paribas Foundation** joined forces with the Group's units in **five countries in Sub-Saharan Africa** to set up an **anti-malaria plan** during

2012 and 2013. Backed by a budget of EUR 200,000, this programme aims to distribute over **25,000 impregnated mosquito nets** and to support and raise awareness among the populations.



Launched by BNP Paribas in late 2012, the **Rescue & Recover fund** pools the donations made by its employees wishing to show their solidarity with the victims of humanitarian disasters. The donations raised are matched by the Bank and then allocated between its **three NGO partners**, namely CARE, the French Red Cross and Médecins sans Frontières.

### COMMITMENT 9. COMPLIANCE WITH THE UN'S GUIDING PRINCIPLES ON HUMAN RIGHTS



**quantified analyses** of suppliers' CSR performance were carried out, including a section on their adherence to human rights.

In 2012, **Jean-Laurent Bonnafé, Director and CEO**, and **François Villeroy de Galhau, COO in charge of BNP Paribas' CSR**, signed the **Statement of BNP Paribas on Human Rights**, in which the Group commits to ensuring human rights are respected within its sphere of influence.

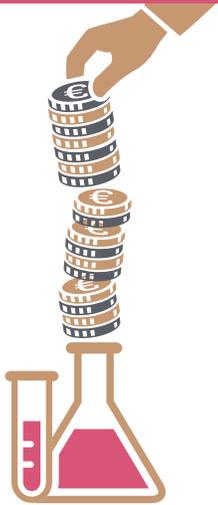


The extra-financial rating agency Vigeo ranked BNP Paribas as **one of the top 30 companies** in terms of observation of human rights, in a survey conducted in 2012 on the human rights behaviour of close to 1,500 listed companies in North America, Asia and Europe between 2009 and 2012.

A tailored offer for **customers in financial difficulty**. Since January 2011, French Retail Banking has decided to offer the **GPA Alternative Payment Range (Gamme de Paiement Alternatif)** free of charge in order to support customers experiencing difficulties.



Over the past five years, BNP Paribas Corporate & Investment Banking (CIB) has supported **medical research** in partnership with **the Institut Pasteur** and its network. Donations received to date amount to more than **EUR 2 million.**



BNP Paribas is highly vigilant when it comes to managing the risk of being complicit in violations of Human Rights. For example, it recently decided to **suspend any type of financing of cotton** from a country in **Central Asia** on the grounds that the country in question used **forced labour** during the picking season.



## PUBLIC POSITIONS



With a presence in 78 countries, BNP Paribas carries out its operations in full compliance with universal rights and principles, as a contributor to or active member of:

- ▶ the United Nations Global Compact (Advanced level); BNP Paribas is a committee member of the Global Compact France
- ▶ Business for Human Rights (Entreprise pour les Droits de l'Homme)
- ▶ Sida-Entreprises (an association for combating AIDS)

In 2012, the Group also sought to formalise its voluntary commitments as part of its civic responsibility:

- ▶ the Statement of BNP Paribas on Human Rights

## INDICATORS AND OBJECTIVES



### Amount of the Group's support for social entrepreneurship and microfinance

EUR  
**103**  
million

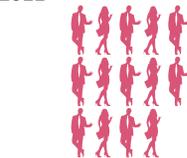
in 2012

Growth of at least  
**+10%**  
p.a.

2013-2015 at comparable structure

### Number of people who attended financial education programmes designed and/or run by the Bank

69,282 2011      91,727 2012



**180,000**  
2015

### Size of the BNP Paribas Group's annual corporate philanthropy budget

EUR  
**38.83**  
million

in 2012

Average annual budget  
**≥ 2012**

2013-2015

**Commitment 7**

# Combating **exclusion** and supporting **social entrepreneurship**

*BNP Paribas has for many years been committed to combating social and financial exclusion. The Group has taken numerous initiatives around the world supporting social entrepreneurship, promoting financial education and providing assistance to customers at risk. In France, the Bank focuses in particular on sensitive urban areas.*

## COMBATING POVERTY AND EXCLUSION

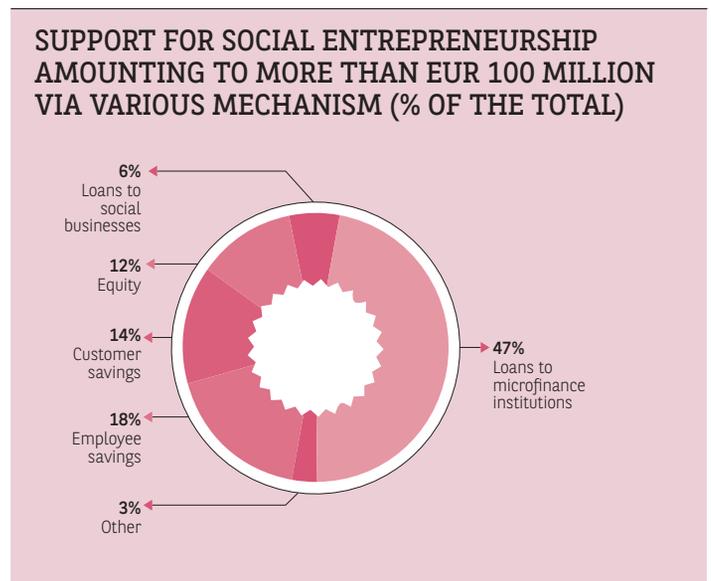
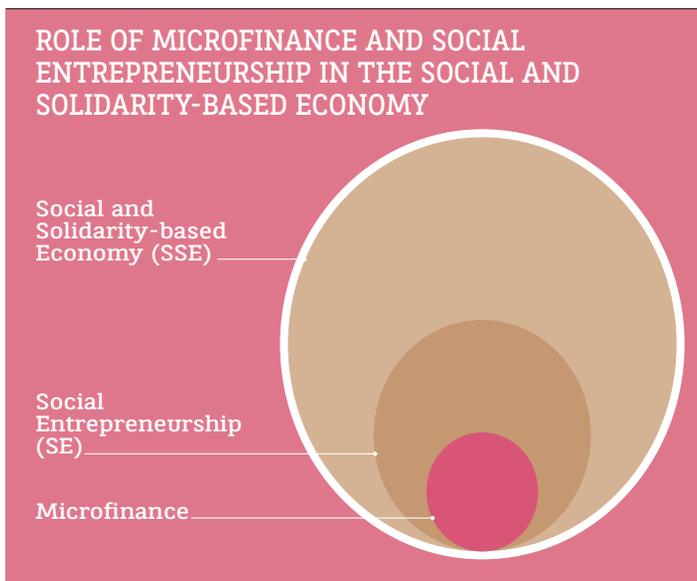
### Microfinance and support for social entrepreneurship

#### Longstanding support for the social and solidarity-based economy

BNP Paribas is very active in the social and solidarity-based economy. Through a specially tailored offering and follow-up, the Group has achieved a leadership position in financing for associations, with a market share of 12% in France, 27% in Belgium, 50% in Luxembourg and 60% in Italy.

In 2012, the Group's support for social entrepreneurship and microfinance amounted to more than EUR 100 million, including:

- EUR 76 million to support microfinance in 19 countries, including 14 emerging markets;
- EUR 27 million to support social entrepreneurship in France.



## » EVENTS

### » Solidarity Finance Week

During the 2012 Solidarity Finance Week, BNP Paribas Epargne Retraite & Entreprise organised the first Solidarity Meeting to give those working to foster social entrepreneurship an opportunity to get to know one another.

### » European Microfinance Week 2012

For the third consecutive year, BGL BNP Paribas sponsored the 2012 European Microfinance Week, an annual event organised by the European Microfinance Platform, which was held from 14 to 16 November 2012 and welcomed more than 450 people from 43 countries. The guest of honour was Muhammad Yunus, Chairman of the Yunus Centre and winner of the 2006 Nobel Peace Prize.



### » Les Audacieux exhibition: 36 micro-entrepreneur stories

BNP Paribas initiated and organised an exhibition entitled "Les Audacieux", highlighting 36 men and women who have been supported by Adie, France's pioneering microcredit association, and who were photographed by the Magnum Photos agency. The Group's ambition is to put the spotlight on entrepreneurs who do not have access to bank credit and are realising their plans by means of microcredit, and to salute their boldness, courage and determination. This scenographic exhibit, designed for public spaces, will travel to several French cities, including Lille, Lyon, Nantes, Bordeaux, Marseille and Metz. The first stop on the tour was Paris, from 25 October to 18 November 2012 during the Mois de la Photo (Photography Month).

“

We want to make eco-friendly housing accessible to all.”

#### François Marty

Founder Chairman of the Chênelet social insertion group, supported by BNP Paribas Wealth Management and PhiTrust



#### Can you present the Chênelet group to us?

The Chênelet group encompasses pallet manufacturing and high environmental quality social housing construction activities for people experiencing exclusion <sup>(1)</sup> Since 1986, 3,000 people have been reintegrated into the workplace, and 64% of them have found another job after spending two years with the Group.

#### How do you factor in the environmental dimension?

We want to make eco-friendly housing accessible to all by making use of eco-construction solutions. We are learning to work with local resources. Straw, hemp and poplar are used for construction. Plants growing in the Pas-de-Calais department are picked to

manufacture the green roof. Water is systematically recovered, saving the grid an equivalent amount of resources.

#### How does BNP Paribas support you?

BNP Paribas Wealth Management supports us via the PhiTrust partenaires fund. PhiTrust supports my dream without disfiguring it in any way. The people there listen and ask me the right questions, which means I can move forward in the right way. In addition, BNP Paribas Epargne & Retraite Entreprises has also invested during 2013 in the Chênelet property company as solidarity-based employee savings.

(1) Unemployed young people, refugees and newly released prisoners.

>> **ECODAIR**



- > **Via PhiTrust Partenaires, BNP Paribas has supported the Ecodair social enterprise.** In his company, 80% of whose employees are mentally disabled, recycles and repairs used computer equipment in order to sell it on at low prices.
- > **PhiTrust Partenaires helped Ecodair** to grow by offering it financial support (investment in equity and loans) and advice on organisational and governance matters.
- > **The results are very encouraging:** close to 150 workers with disabilities have been reintegrated and more than 12,000 computers a year are repaired and resold at low prices to disadvantaged sections of the population.

**Proactive support for the development of social entrepreneurship and microfinance**

A highly ambitious growth target was set, with a minimum annual growth in BNP Paribas' support for these activities of at least 10% projected by 2015.

Several mechanisms will be used to reach this target:

- **Employee savings:** since the laws of 2001 and 2008, French companies have been obliged to offer their employees at least one social mutual fund in their employee savings schemes. This favourable legislative climate should help BNP Paribas increase its support for these funds, of which at least 5% is invested in solidarity companies.
- A response to the specific needs of social enterprises in the Group's domestic markets (France, Italy, Belgium and Luxembourg), particularly as regards financing.
- Investment in the equity of social enterprises or social entrepreneurship funds.

- The Bank's customers' investments in solidarity products represent another major source of support for social entrepreneurship. BNP Paribas' Private Bank's wealthy clients are offered the chance to invest in the PhiTrust fund, which in turn invests in social companies.
- Finally, BNP Paribas has undertaken to triple the volume of outsourcing agreements it concludes with disability-oriented social enterprises and support-through work organisations by 2015.

**Support for vulnerable customers**

BNP Paribas also plays an active role in combating exclusion from banking services, by supporting customers made vulnerable by disability or financial circumstance.

**Branch accessibility for the greatest number**

Combating exclusion also means providing access to banking services for all. The Group does everything it can to broaden access to its services for people with disabilities.



**MADAGASCAR:** In 2012, the I&P Capital III fund invested in Socolait, a dairy product production company. Since then, the business has implemented an action plan to gain ISO 22000 certification.

>> **INVESTMENTS IN EQUITY**

- > **BNP Paribas invested EUR 1 million in 2012 in the socially responsible I&P Capital III fund,** which aims to invest in SMEs based in countries on the Indian Ocean and in Western Africa and active in sectors with a positive impact on society, such as healthcare, agriculture or infrastructure (buildings, telecoms, etc.). By providing financial support and advising these businesses, the I&P Capital III fund will foster the economic and social development of local communities.



of machines located in the self-service area of BNP Paribas' 2,200 branches in France are accessible to persons of reduced mobility.



**BELGIUM:** 850 cash dispensers adapted for the unsighted.

For example:

- **In Belgium**, the Braille League designated BNP Paribas Fortis and Fintro as the first Belgian bank to have cash dispensers with vocal prompts to guide the unsighted and enable them to carry out banking transactions: 850 such machines are now available throughout Belgium.
- **In France**, following the branch refurbishment, the machines situated in the self-service area of more than 75% of BNP Paribas' 2,200 branches in France are accessible to persons with reduced mobility.

### **A tailored offer for customers in financial difficulty**

The whole Group is committed to developing responsible credit and determined to enable the greatest number to have access to credit, while striving to combat excessive debt.

In 2012, BNP Paribas' French Retail Banking segment finalised its system for supporting customers facing, or likely to face, difficult circumstances. More than 400 experts at eight commercial negotiation regional

branches (Agences régionales de négociation commerciale) throughout France are now wholly dedicated to the needs and expectations of these customers. As early as one month after being taken on by an ARNC, two out of three customers are back in a normal situation. In addition, since January 2011, BNP Paribas has decided to offer the GPA Alternative Payment Range (Gamme de Paiement Alternatif) free of charge in order to support customers going through difficult times.

Cetelem has set up a special mechanism for detecting customers who are up to date with their loans, but could find themselves in difficulties. Customers potentially benefiting from this mechanism are identified. A dedicated team, separate from the sales teams, offers an in-depth exploratory interview to discuss the households' financial health. If customers prove to be in a vulnerable situation, the aim is to make them aware of more structural difficulties and to encourage them to take action. Cetelem can offer customers a solution restructuring repayments or refer them to its partner, the

CRESUS Association, with which it has jointly developed a specific support programme.

For customers diagnosed as being in difficulty, all commercial solicitation is suspended, and they are offered a budget management education programme.





NETHERLANDS: *Financial education at a bank in Utrecht.*



### Financial education programmes for consumers

Financial education has demonstrated its effectiveness in combating excessive debt and encouraging economic growth. In 2012, BNP Paribas employees again committed themselves strongly to this cause by helping to design educational content and tools or by training the public.

In 2012, more than 91,000 people had access to these programmes, not just in the domestic markets (France, Belgium, Italy and Luxembourg), but also in Germany, Spain, the Netherlands, the United States, India and Singapore.

In some countries, financial education is focused sharply on sections of the population considered to be at risk, such as young people:

- **Netherlands:** BNP Paribas Cardif has developed the Life and Finance project for the young; this financial education platform was followed by 2,500 people in 2012.
- **In Luxembourg,** 860 pupils from 27 schools took part in the Startin' Finance programme in the 2011-2012 academic year.

This took the form of guided visits, presentations on business lines (marketing, money markets, human resources, etc.), interactive workshops and participation in lessons.

- **In France,** the Cetelem Foundation has developed training tools for trainers at associations and institutions working alongside it in budget education. It also provides them with educational support and financial assistance with the implementation of programmes. In 2012, more than 6,300 young people (school pupils, young people seeking to join the world of work, apprentices) and adults in difficulty in France were able to benefit from this training.
- **In Turkey,** the retail bank launched the TEB Family Academy in October. It aims to help households to manage their budgets by offering financial education courses at its branches. In 2012, 939 such events were held, with 18,000 people attending. During 2013, TEB aims to educate 100,000 people via this initiative.

In other countries, where financial education has long been anchored in local practice, it is aimed at all sections of the general public.

- **In Italy**, BNL has held 3,100 events since 2008 for over 50,000 individual customers and close to 4,000 businesses under the EduCare programme. The topics covered relate to savings, management of expenses and how banking services work. In addition, following an agreement between BNL and Feltrinelli, the Italian bookseller and publisher, evening training sessions are now offered in bookshops. Findomestic rolled out its consumer finance and insurance education programme, which it had launched in 2011 on the Per-Corsi website. 402 people benefited from the programme in 2012.
- **In the United States**, Bank of the West has set up a number of education programmes for all ages. In 2012, 450 employee volunteers trained 12,000 people via

associations, notably working through:

- Operation Hope, which runs a financial education programme in San Francisco Bay Area (California), Portland (Oregon) and Denver (Colorado).
- The Banking on Our Future programme also gave employee volunteers the chance to introduce 1,250 young people aged 9 to 18 to basic financial mechanisms in 2012.
- In the elementary grades, a play called Mad about Money continues to tour, with the support of the bank. It was seen by nearly 9,000 school children in 24 schools in 2012. This amusing and educational show raises issues of budgeting, saving and borrowing.
- A financial education book, The Three Cups, aims to raise children's awareness of the value of money in the later elementary grades.



For 2013, TEB aims to teach **100,000** people to manage their budget.



**TURKEY:** Financial education courses arranged by TEB.



FRANCE: The La Marmite charitable association, supported as part of BNP Paribas' *Projet Banlieues* project.

### » A CHARTER BETWEEN BNP PARIBAS SECURITIES AND THE TOWN OF PANTIN

» 2012 also saw the **Business & Territory Charter** signed by BNP Paribas Securities Services and the Town of Pantin in Seine-Saint-Denis, where its head office is located. This agreement gives a contractual footing to the three-year commitments made by BNP Paribas Securities Services to reinforce its involvement in the Commune of Pantin via a variety of initiatives for jobs, training, outsourcing, etc.

## PROJET BANLIEUES: STRONG COMMITMENT IN FRANCE

BNP Paribas has over the past 15 years channelled a significant part of its job creation to districts where they are based. For example, the Group has become the leading private-sector employer in Seine-Saint-Denis.

At the same time, through its *Projet Banlieues* project, BNP Paribas supports all those working to create economic and social leverage in sensitive urban areas. Launched in 2006 by the BNP Paribas Foundation, in coordination with the French banking network, *Projet Banlieues* focuses on three areas of action: business start-ups and integration into the labour market; education; and local initiatives. Renewed in 2012, this project currently has an annual budget of EUR 4.5 million.

### Business start-ups and integration into the labour market

The *Projet Banlieues* mechanism for fostering job creation involves providing support to five leading players:

- **Adie** (Association pour le droit à l'initiative économique), whose partner BNP Paribas has been since 1993, helps those excluded from the banking system and the unemployed to set up their own businesses. In 2012, the BNP Paribas Foundation provided EUR 1.1 million to Adie. The Group has become the association's primary partner, having contributed more than EUR 6.5 million in subsidies since 2006, with a total of EUR 5 million in credit lines at end-2012. Since 2006, Adie has opened 13 new microcredit branches in France. Close to 5,500 microloans have thus been provided, allowing more than 3,500 businesses to be set up at the locations

involved, representing more than 4,500 additional new jobs.

- The **Initiative France** network finances and fosters the creation and turnaround of businesses in France, and whose innovative business start-up platforms are now supported by BNP Paribas and its Foundation.
- **PlaNet Finance France**, and its *Entreprendre en Banlieue* programme, finances the PlaNet ADAM associations (Associations de Détection et d'Accompagnement des Micro-entrepreneurs). The BNP Paribas Foundation supports three of these associations, in Bobigny (93), Vaulx-en-Velin (69) and Saint-Quentin (02).
- **Financités** is a solidarity-based venture capital company which makes social investments to support entrepreneurs in underserved urban districts. BNP Paribas has contributed EUR 1 million in equity financing.



**FRANCE:** The BNP Paribas Foundation has for several years supported the Pavillons-sous-Bois school support association.

## » EDUCATION IN FIGURES

- › **AFEV:** in the 2011-2012 academic year, close to **7,300 young people aged 5 to 18 years** benefited from two hours a week one-to-one educational support.
- › **Odysée Jeunes:** **19,000 pupils from 125 educational establishments** went on school trips to 22 countries, with their travel costs **cut by more than 50%**.

- BNP Paribas also supports **Business Angels des Cités**, with a contribution of EUR 1 million. This socially responsible investment fund invests in companies that create jobs in economically underprivileged urban districts and/or whose manager is an entrepreneur who has long been based in one of these districts.

### Supporting education

The BNP Paribas Foundation, which has been supporting key players in education for close to twenty years, has constantly stepped up its commitment, with the 2010 launch of **Odysée Jeunes**, an innovative programme that helps to finance school trips. The project has a budget of EUR 6 million over five years and is run in partnership with the Seine-Saint-Denis departmental authorities.

In addition, the BNP Paribas Foundation wanted, on the twentieth anniversary of **Afev** (Association de la Fondation étudiante pour la ville<sup>(1)</sup>), to mark its longstanding commitment to this association, which it has supported since 1994 (more than EUR 1 million contributed in 18 years). A reportage by photographer Peter Marlowe of the Magnum agency led to a major travelling exhibition, "Regard sur les 20 ans de l'Afev", which visited 31 towns in France.

BNP Paribas also stepped up its efforts on behalf of schools in underprivileged urban areas, to which the apprenticeship tax is paid. More than EUR 4 million was paid to around 100 institutions over five years.

Finally, BNP Paribas is a loyal and committed partner to six IEPs (Instituts d'Etudes

Politiques - Lille, Aix, Lyon, Rennes, Strasbourg, Toulouse). Each year, it helps 1,200 pupils from underprivileged areas to prepare for the common entrance exam for these grandes écoles and pays EUR 60,000 a year to the IEPs via its retail banks in France.

### Supporting local initiatives

Discussion-based and local relationships lie at the heart of BNP Paribas' philanthropic initiatives. This is reflected in the local initiatives part of Projet Banlieues, which has supported more than 270 local associations since 2006, via the Group's Foundation, branch network and employees.

(1) Since it was set up in 1992, Afev has provided individual support to young people from less advantaged districts. Throughout the school year, volunteer students spend two hours a week helping children and young people (aged 5 to 18) who are having difficulty with their education.

**Commitment 8**

# Corporate philanthropy policy focused on **education, health, culture and solidarity**

*BNP Paribas takes very practical steps to ensure that performance can coexist with social responsibility—not just in the daily work of its business lines, but also via its corporate philanthropy initiatives, which involve increasing numbers of employees and countries where the Group operates.*

**>> GOVERNANCE**



The BNP Paribas Foundation operates under the aegis of the Fondation de France and is run by an Executive Committee chaired by Michel Pébereau, Honorary Chairman of BNP Paribas. The committee's composition—including qualified experts as well as divisional, business-line and country heads—means that it represents a global view of corporate philanthropy within the Group. The qualified experts are Jean-Laurent Casanova (health), Pascal Dreyer (solidarity), Dominique Ferriot (heritage), Guy Darmet (performing arts) and Philippe Gillet (environment and climate change research).

## A STRUCTURED AND INCLUSIVE POLICY

The Group's commitment to education, culture, solidarity, health and the environment is not new—it has been driven for close to 30 years by the BNP Paribas Foundation. A longstanding participant in corporate philanthropy in France, the Foundation's mission is to:

- Design and direct the Group's corporate philanthropy policy;
- Act as a monitor, advisor and regulator of the philanthropic initiatives implemented within the Group's other Foundations, as well as its divisions, business lines and countries;

- Ensure the consistency of internal and external information about philanthropic actions undertaken within the Group.

### Networking reinforced

The corporate philanthropy projects run within BNP Paribas are based on the shared values of diversity, risk-taking and innovation, as well as the capacity to support and promote projects over the long term.

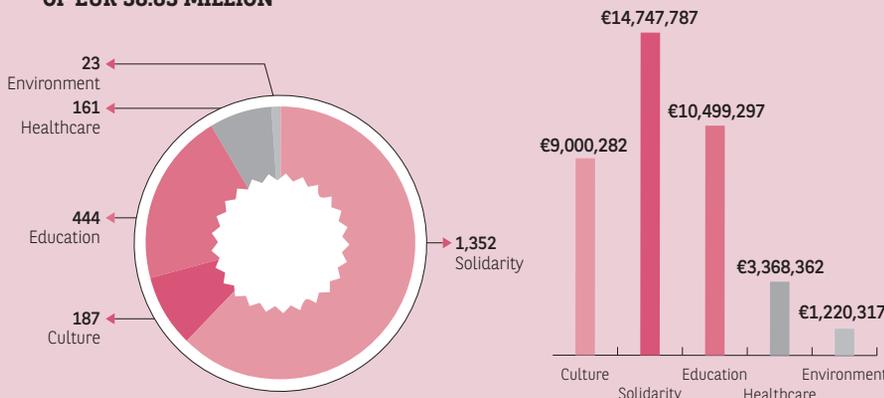
At the present time, 14 foundations and funds are active within the Group, alongside the BNP Paribas Foundation, whose actions are backed up by the numerous initiatives developed internally by various BNP Paribas entities in France and abroad.

In 2012, two new Funds joined BNP Paribas' Corporate Philanthropy network:

- The BNP Paribas-Banque de Bretagne endowment fund which, via its Projet Solidarité, aims to support charity projects in education, social integration and job market inclusion, for young people at risk of exclusion;
- The Rescue & Recover fund, which coordinates the actions of BNP Paribas and its employees in the event of humanitarian disasters or to support NGOs addressing so-called "forgotten" emergencies.



**2,167 PROJECTS FINANCED IN FIVE AREAS WITH A TOTAL BUDGET OF EUR 38.83 MILLION\***



\* Figures at 31 March 2013 after publication of key social data showing 2,044 corporate philanthropy projects totalling representing a budget of EUR 38.15 million.

## Solidarity: combating exclusion

BNP Paribas' solidarity initiatives operate on four levels: developing the social and solidarity-based economy, encouraging local initiatives, supporting efforts to combat vulnerability, and helping Group employees involved in voluntary work.

In 2012, the BNP Paribas Foundation decided to provide its support for the Restos du Cœur charity in France. In 2012, it paid for a million meals for people living below the poverty line who cannot afford to feed themselves properly. This initiative is backed up by the installation of an information system for the charity's reception centres.

## Education: promoting equal opportunity

Supporting young people through their education, preparing them for adult life, helping them to master economic and financial issues, giving them opportunities to study at the best universities. BNP Paribas and its employees have decided to commit to various educational programmes.

The aim is to support innovative initiatives in order to transmit knowledge to those who need it most.

Thanks to the Smart Start programme, launched in 2012, with projects supported in

eight European countries, more than 800 children in situations of social exclusion, and coming from underprivileged backgrounds or suffering from a disability, have been able to benefit from a course enabling them to discover and practise a performing art. The project partners are the National Music School (Bulgaria), the Associazione Mus-e Roma Onlus (Italy), the Orquestra Geração (Portugal), the Fundación Voluntarios por Madrid (Spain), the Muscular Dystrophy Association Hellas (Greece), the Fundatia Parada (Romania), Helium Arts (Ireland), Westminster City Council and PhotoView (UK).

## Healthcare: funding research and providing support for patients

BNP Paribas' commitment to healthcare and medical research is translated into action by the Group's foundations and also via its subsidiaries and business lines in the many countries where it operates.

Recognised throughout the world for its research and preventative work on infectious diseases, the Institut Pasteur works with laboratories in a large number of countries. This global network means that high-level research can now be carried out on the main infectious diseases.

## >> FOCUS ON

### > Bank of the West,

BNP Paribas' subsidiary in the United States has been recognised by the Los Angeles and San Jose business reviews and by the San Francisco Business Times as a key player in corporate philanthropy in these three cities. The bank has distinguished itself not just through its contributions in California, but also through the roughly USD 6 million (EUR 4.7 million) it has given in patronage to the 19 states where it operates. In July 2012, Bank of the West came second in American Banker's ranking of US banks on reputation, mainly because of its civic commitment.



EUROPE: Easier access to art for children from tough backgrounds.



**Hamid Noorizadeh**  
responsible for CSR at  
BNP Paribas in the Gulf region



We pay considerable attention to CSR in the Middle East and Africa region. Our commitment may take the form of recycling initiatives, a policy in support of diversity or corporate philanthropy initiatives. We also make it a point of honour to attach conditions to the financing we provide. We want to make BNP Paribas a responsible bank with an eye firmly on the future.”

## EUR 200,000

were invested in an anti-malaria plan covering five countries in Sub-Saharan Africa.

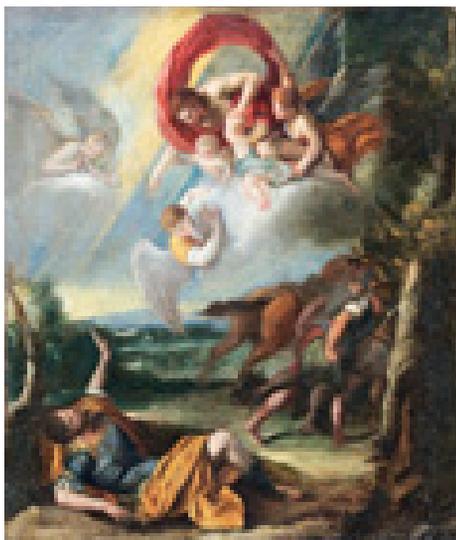


**SUB-SAHARAN AFRICA:** BNP Paribas and its Foundation are funding an anti-malaria programme.

### » BNP PARIBAS FOR ART

#### » Restoration of three masterpieces

As part of its BNP Paribas pour l'Art programme launched in 1994, the BNP Paribas Foundation is stepping up its involvement with major international museums. Thanks to its support, the National Gallery of Victoria in Melbourne, the Art Gallery of Ontario in Toronto and the Museu Nacional d'Art de Catalunya in Barcelona were able to present restorations of three masterpieces in 2012: *The Crossing of the Red Sea* by Nicolas Poussin, *Jar of Apricots* by Jean-Baptiste Chardin and *The Conversion of Saint Paul* by Juan Bautista Maíno (below).



For the last five years, BNP Paribas Corporate & Investment Banking (CIB) has supported these programmes in partnership with the Institut Pasteur and its network, currently in 15 countries. Donations received to date amount to more than EUR 2 million.

With BNP Paribas' operations in five countries of sub-Saharan Africa, the BNP Paribas Foundation set up an anti-malaria plan in 2012, focused on Burkina Faso, Côte d'Ivoire, Guinea, Mali and Senegal, involving the distribution of impregnated mosquito nets, together with support and information for the populations concerned. This two-year commitment (2012 and 2013) involves EUR 200,000 in financing and the distribution of more than 25,000 impregnated nets.

#### Culture: preserving cultural heritage and sponsoring creativity and the performing arts

BNP Paribas has decided to support the creation and preservation of heritage and is involved in numerous initiatives in the countries where it operates.

#### Contemporary dance and new circus arts

True to their commitment to contemporary dance and the new circus arts, BNP Paribas and its Foundation have, since 2012, supported choreographer Sidi Larbi Cherkaoui and circus artists Yoann Bourgeois and Phia Ménard in their creative projects. 2012 was also the start date for a completely new partnership with the Montpellier Dance Festival in France, now one of Europe's key choreography events. This commitment takes the form of support for artist residences. In addition, the Foundation is renewing its support for the Kadmos network which, coordinated by the Avignon Festival in France, facilitates the circulation of works and artists in the Mediterranean region.

#### Jazz

The attention that BNP Paribas has given to jazz for more than 15 years is spreading beyond France. The BNP Paribas Foundation has committed for the second year running to the North Sea Jazz Festival in Rotterdam, the Netherlands, by supporting the educational side of this event, and the Paul Ackett Award,

which is given to a young talent in contemporary jazz. The North Sea Jazz Festival, the second largest event of its kind in the world, is also backed by BNP Paribas in the Netherlands.

### Museum heritage

BNL, the BNP Paribas Group's bank in Italy, has partnered with Palaexpo, the entity responsible for organising major exhibitions for the city of Rome. Three major exhibitions are being held during cultural events in Rome from September 2012 to March 2013. BNL is linking up with Palaexpo as the main sponsor, offering its support to the "Vermeer, the golden century of Dutch painting", "Robert Doisneau, Paris liberated", and "The silk road, ancient pathways between East and West" exhibitions.

In 2012, Head-Geneva (the Geneva University of Art and Design) and BNP Paribas

Foundation Switzerland joined forces to set up the New Heads-BNP Paribas Foundation Art Awards intended to support young artists graduating from Head-Geneva, who are among the most promising of their generation. For the first edition, Head-Geneva and the BNP Paribas Foundation Switzerland asked Giovanni Carmine, Commissioner of Exhibitions and current Director of the Kunsthalle St. Gallen, to select a dozen artists from Head-Geneva Visual Arts MA students and to design an exhibition, held in September 2012 at LiveInYourHead, Head-Geneva's Curatorial Institute.

### Environment

Finally, the BNP Paribas Foundation also supports several climate research programmes, described in the "Our environmental responsibility" section.

BNP Paribas and its Foundation have made a **three-year** commitment to the North Sea Jazz Festival.



**NETHERLANDS:** *North Sea Jazz Festival.*

## COMMITTED EMPLOYEES SHOWING SOLIDARITY

BNP Paribas staff lead the way among employees wanting their company to show commitment and help them to participate in charity work themselves. The BNP Paribas Foundation provides them with financial backing, and the Group offers them numerous opportunities to get involved.

### Providing financial support for employees involved with charity work



The BNP Paribas Foundation encourages the commitment of Group employees who donate their time and energy to solidarity associations through the Coup de pouce programme. Every year, the Foundation provides its support for some fifty or so projects submitted by employees volunteering with charity associations. More than EUR 1 million were distributed by the BNP Paribas Foundation to nearly 500 charity projects in France under the Coup de pouce programme, which celebrates its 10<sup>th</sup> anniversary in 2013.

This programme is currently up and running in Belgium, Spain, Italy, Luxembourg, Switzerland, Morocco and Portugal.

### Offering employees voluntary skills development assignments



- **MicroFinance without Borders (MFSF)** offers the skills and banking expertise of the Group's active and retired employees to microfinance institutions and social entrepreneurship partners. With a pool of 450 volunteers and some 15 units in the countries in which the Group is present, MFSF has completed a hundred or so technical assistance assignments in 30 countries since it was set up in 2007. In 2012, 230 new applications were received from potential volunteers.

Since 2013, the organisation has set up a website at [www.microfinancesansfrontieres.org](http://www.microfinancesansfrontieres.org) helping to put microfinance institutions in contact with one another and volunteers to discuss their experiences.

- **Bénévolat de Compétences et Solidarité (BCS)** is a charitable organisation set up in 2009 by BNP Paribas Group to promote voluntary skills-based assignments by active and retired BNP Paribas Group employees in France looking to help integrate people experiencing difficulties. Through its network of 650 volunteers, BCS focuses on delivering educational, social and economic initiatives together with 15 or so solidarity-based charities. BCS' role is to welcome, inform and direct future volunteers towards its partner charities, which are organised into an economic segment linked to social entrepreneurship and microfinance and an educational segment dedicated to underprivileged young people ([www.bcs.pourunmondequichange.com](http://www.bcs.pourunmondequichange.com)).

Close to **37,000** hours of skills-based voluntary work by the Group's active and retired employees were coordinated by MFSF and BCS in 2012.

In addition, initiatives are proliferating in the Group's subsidiaries, business lines and countries, spurred on by numerous communication campaigns or by the creation of tools for matching assignment supply with employee demand. Several countries (e.g. the United Kingdom and Luxembourg) also went a step further in 2012, by setting up partial remuneration systems for the time spent on such activities, so that their employees can also take part during working hours.



**ECUADOR:** An assignment by MFSF on behalf of Ishpingo, a charity specialised in sustainable forestry.



**PORTUGAL:** Skills based volunteering organised by BNP Paribas Securities Services under the Together CSR programme.

- **In the United Kingdom,** BNP Paribas Securities Services has partnered with numerous charities working for the environment, the homeless, underprivileged children and social housing. 143 volunteers participated, providing the equivalent of six months' work. In addition, BNP Paribas CIB delivers a broad range of initiatives benefiting underprivileged areas of London as part of its Community and Charity programme. Several employee volunteering and fund-raising initiatives within the Group paved the way for social and economic enhancements to these districts. Since the programme was launched in 2008, the number of volunteers has risen by 230%.
- **In Portugal,** BNP Paribas Securities Services has launched the Together CSR programme which includes awareness-raising activities and the formation of an internal pool of volunteers ready to help charities in the areas of health, wellbeing, the environment and education.
- **In the US,** 1,500 Bank of the West employees devoted 33,000 hours to charity work. They gave lessons in financial awareness, built or repaired houses, helped under-qualified unemployed workers to re-enter the job market, supported micro-entrepreneurs and collected funds for health-focused programmes.
- **Luxembourg:** 56 volunteers have become involved with charities and NGOs as part of the Bank's programme of lending out its skills.

**1,500**  
Bank of the West  
employees devoted  
**33,000** hours  
to charity work.



### Unifying employees' generosity

2012 was also characterised by the joint commitment of Group employees to humanitarian aid, including:

- Urgent relief efforts provided in the wake of Hurricane Sandy, which swept through New York City in the autumn of 2012;
- For the longer term, the creation of the innovative Rescue & Recover Fund.

#### One million dollars for Sandy

The destruction wrought by Hurricane Sandy on the eastern seaboard of the United States in the autumn of 2012 triggered a solidarity response within the Group. A donation programme was rapidly set up, raising USD 1 million.

#### Rescue & Recover endowment fund

For several years, BNP Paribas employees have got together to help victims of humanitarian disasters, from the tsunami in Japan to the earthquakes in Haiti and Italy.

BNP Paribas therefore decided at the end of 2012 to launch the Rescue & Recover endowment fund to pool the generosity of employees wishing to show their solidarity with victims of humanitarian emergencies, whether this involves providing a rapid response to a catastrophe or giving long-term support to NGOs dealing with “forgotten” crises.

#### Still a unique fund

Permanently open to all BNP Paribas employees around the world, the Rescue & Recover endowment fund, which is chaired by Baudouin Prot, Chairman of BNP Paribas, is a pioneering solidarity tool.

Each employee donation is matched by BNP Paribas and paid to the three NGOs partnered by the fund, namely CARE, the French Red Cross and Doctors Without Borders (Médecins Sans Frontières).



**GLOBAL:** *The Rescue & Recover fund supports the actions of CARE, the Red Cross and Médecins Sans Frontières.*

### *Two experienced figures in the emergency relief world*

Launched in late 2012, the fund includes on its board two qualified people who contribute their expertise on subjects relating to emergency aid and shed light on the relevance of the projects to be financed.

- Sylvie Lemmet, a graduate of ENA, Harvard and HEC, is Director of the Division of Technology, Industry and Economics for the United Nations Environment Programme. A specialist in setting up sustainable development projects and a member of the French Court of Auditors, she was formerly Finance Director at Doctors Without Borders (Médecins Sans Frontières);
- A Professor in Emergency and Humanitarian Medicine, Marc Sabbe is also a physician at University Hospitals Leuven. In the 1990s, he founded the European Society for Emergency Medicine and remains its honorary secretary.

### *Promising launch without media exposure*

In a few weeks, the fund has been able to collect donations from employees in 17 of the countries where BNP Paribas operates. The average donation, at more than EUR 90, reflects employees' commitment to the projects proposed in the area of maternal and paediatric health:

- Prevention and treatment of the main childhood diseases in Mali by Doctors Without Borders (Médecins Sans Frontières);
- Action by CARE to tackle malnutrition in Niger;
- Work by the French Red Cross to facilitate access to healthcare in the Central African Republic.

## **>> GENEROSITY**

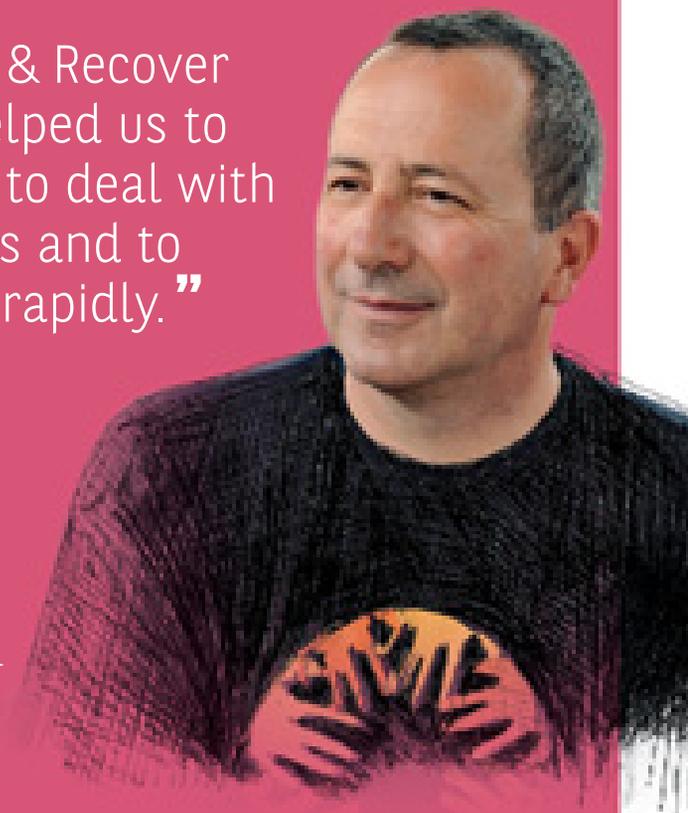
### **> United Kingdom**

BNP Paribas has broken new ground by offering its employees the chance to pay part of their bonus into the Rescue & Recover fund.



The Rescue & Recover fund has helped us to plan ahead to deal with emergencies and to take action rapidly.”

**Philippe Levêque**  
Chief Executive  
Officer, CARE France



### **Can you present Care and its main priorities?**

Care is an international solidarity network with no religious or political affiliations. We are active in close to 75 countries around the world, working with the most vulnerable populations, either to respond to emergency situations arising as a result of conflicts or natural disasters or to implement long-term programmes to combat poverty.

### **Why do you need the support of large businesses?**

For a long time, Care has worked together with the corporate sector as a strategic partner. We believe that together with businesses we can develop models helping to combat poverty. In urgent situations, their support is highly valuable because it enables us to provide the first response before governments step forward, to take action to tackle the so-called forgotten crises or post-emergency projects for which it is not always easy to find financing.

### **To this end, BNP Paribas' support has been organised by setting up the Rescue & Recover fund. What else can you tell us?**

BNP Paribas has set up an endowment fund for emergencies—the first in France and possibly in the world. For every employee donation, the Group makes a matching donation. This combination is extremely powerful and creates very strong leverage for donations by individual donors. What's more, in the event of a humanitarian crisis, when time is of the essence, I firmly believe the fact that BNP Paribas has already set up a fund-raising mechanism and raised employee awareness will help to deliver a more rapid and more substantial response, which is also more effective! And that is of course what we are trying to achieve.

Commitment 9

# Compliance with the UN's Guiding Principles on **Human Rights**

*In 2012, Jean-Laurent Bonnafé, Director and CEO, and François Villeroy de Galhau, COO in charge of BNP Paribas' Corporate Social Responsibility, signed the Statement of BNP Paribas on Human Rights, in which the Group commits to ensuring human rights are respected within its sphere of influence.*

To comply with these principles, BNP Paribas has added the issue of Human Rights to its management principles and business processes, together with its interactions with the various participants and stakeholders in its activities.

## EMPLOYEES

BNP Paribas promotes and respects the dignity and rights of its employees by applying a committed and responsible human resources policy. Its employees must also exercise and respect human rights standards in their professional activities. To ensure these standards are respected, BNP Paribas

has drawn up a Code of Conduct that applies to all its employees.

In keeping with these steps, the Group's Human Resources Department has also launched a Human Rights audit of its employees' status around the world. The aim is to identify the strengths and weaknesses of the entities in the regions where the Group operates. Brazil, which was selected as a pilot country, will serve as a test bed for the creation of a self-assessment tool focusing on freedom of association and collective negotiation, non-discrimination and health & safety at work. Once validated, this tool will be rolled out within the Group.

## >> COUNTRIES AT RISK

### > An annual review by BNP Paribas

The Group carries out annual reviews of countries that are high-risk in terms of human rights. In 2012, BNP Paribas operated in eight high-risk countries, accounting for 4.8% of its total workforce, and in 24 countries that are cause for concern, accounting for 16.2% of its total workforce. Both of these figures are lower than they were in 2011 (6% and 17% respectively). After analysis of 81% of the Group's global workforce, five employees in three countries were identified as being less than 18 years old, but more than 16 years old.

## >> BUSINESS FOR HUMAN RIGHTS (ENTREPRISES POUR LES DROITS DE L'HOMME)

### > BNP Paribas is a founder member of EDH

BNP Paribas is also a founder member of the Entreprises pour les Droits de l'Homme (EDH) association alongside seven other large French corporations. The association aims to improve companies' understanding in terms of respecting fundamental human rights and to promote this approach among other companies. Human rights training is provided to managers and heads of HR.



GLOBAL: In 2012, BNP Paribas published its Statement on Human Rights.

## SUPPLIERS AND SUBCONTRACTORS

Respecting human rights standards is part of the commitments expected of BNP Paribas suppliers and subcontractors under the Group's Charter of Corporate Social Responsibility with its suppliers, which was drawn up in 2012.

In 2012, 700 quantified analyses of suppliers' CSR performance were carried out, including a section on their adherence to human rights.

## CUSTOMERS

BNP Paribas expects its customers and clients to manage their own professional activities in accordance with human rights standards. In the most sensitive sectors, BNP Paribas pursues specific corporate social responsibility policies that include human rights criteria. In addition, as a signatory of the Equator Principles, BNP Paribas adheres to a set of standards—including various human rights aspects—when evaluating and managing social and environmental risks in project finance.

**BNP Paribas is highly vigilant when it comes to the risk of being complicit in violations of Human Rights. For example, BNP Paribas decided in 2012 to suspend any type of financing of cotton from a country in Central Asia on the grounds that the country in question used forced child labour during the picking season. While the Group had financed this activity for several years, it reached this decision after a process of dialogue and in-depth investigation. BNP Paribas is currently waiting for information demonstrating a clear improvement in the situation and remains in contact with the various parties monitoring it, so that if appropriate it may subsequently reconsider its decision.**



**CENTRAL ASIA:** *BNP Paribas has suspended its financing for the cotton sector.*

## COMMUNITIES

BNP Paribas promotes the highest standards of professional conduct, including in terms of actions aimed at preventing corruption and money laundering (see "Our economic responsibility - Business ethics"). BNP Paribas believes that sustainable economic development fosters broader access to fundamental rights. By enhancing financial inclusion in the communities in which it operates, BNP Paribas clearly demonstrates its determination to contribute to this type of development.

### >> EXTRA-FINANCIAL RATINGS

#### > BNP Paribas in Vigeo's Top 30

In its extra-financial ratings, Vigeo ranked the Group as one of the top 30 companies in terms of observation of human rights, in a survey conducted in 2012 on the human rights behaviour of close to 1,500 listed companies in North America, Asia and Europe between 2009 and 2012.

# OUR ENVIRONMENTAL RESPONSIBILITY

## COMBATING CLIMATE CHANGE

*As a major player in the global economy, BNP Paribas is aware of the importance of its role in protecting the environment. To assume this responsibility, the Group works to control its direct and indirect environmental impacts. In synergy with this approach, the BNP Paribas Foundation supports scientific research about climate change.*



### Commitment 10

#### FINANCING POLICY COMMITMENTS IN SENSITIVE SECTORS

Environmental impact factored into our financing decisions, a range of green products

### Commitment 11

#### REDUCTION IN THE ENVIRONMENTAL FOOTPRINT ASSOCIATED WITH OUR OWN OPERATIONS

Reduction in our CO<sub>2</sub> emissions (by 10% by 2015)  
and our paper consumption (by 15% by 2015)

### Commitment 12

#### SUPPORT FOR RESEARCH AIMED AT COMBATING CLIMATE CHANGE

Support for projects led by world-class laboratories



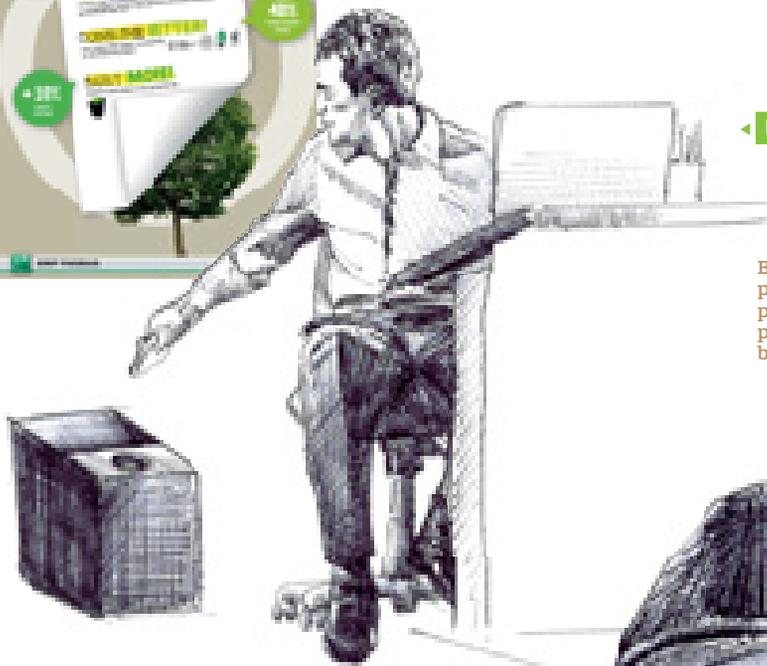
**Commitment 10** ▶

Over EUR 7 billion in credit authorisations in the renewable energies sector.



◀ **Commitment 11**

BNP Paribas has pledged to cut its paper consumption per employee by 15% by 2015.



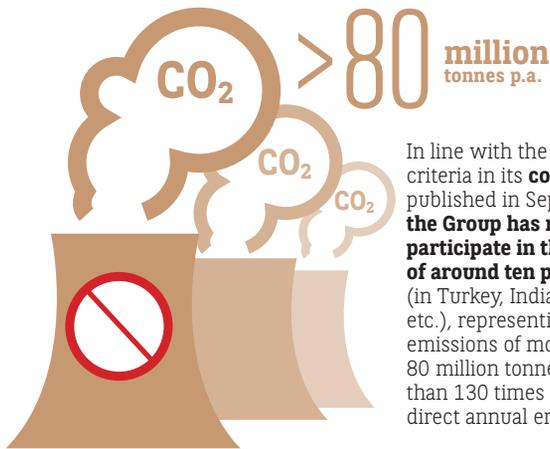
**Commitment 12** ▶

BNP Paribas financed the Subglacior project, which aims to carry out the first-ever analysis of the earth's atmosphere as it was more than one million years ago.



# OUR ENVIRONMENTAL RESPONSIBILITY

## COMMITMENT 10. FINANCING POLICY COMMITMENTS IN SENSITIVE SECTORS



In line with the selection criteria in its **coal policy** published in September 2011, **the Group has refused to participate in the financing of around ten power plants** (in Turkey, India, Vietnam, etc.), representing annual CO<sub>2</sub> emissions of more than 80 million tonnes, i.e. more than 130 times BNP Paribas' direct annual emissions.

*BNP Paribas has drawn up two new financing and investment*



*policies governing its activities in two sensitive areas from an environmental perspective, i.e. oil sands and mining.*



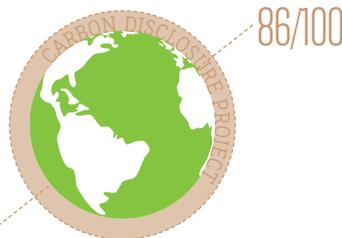
BNP Paribas acted as **Joint Bookrunner** for a USD 300 million bond to finance the **Oaxaca II & IV** (Mexico) **wind energy** projects, each with a generating capacity of **102 MW each**.

## COMMITMENT 11. REDUCTION IN THE ENVIRONMENTAL FOOTPRINT ASSOCIATED WITH OUR OWN OPERATIONS



The distance travelled per employee on business trips was reduced during 2012.

The quality of BNP Paribas' **greenhouse gas emissions reporting** gained a score of **86/100** from the **Carbon Disclosure Project** in 2012 (compared with 79/100 in 2011), putting the Group among the **leading pack** in this field.

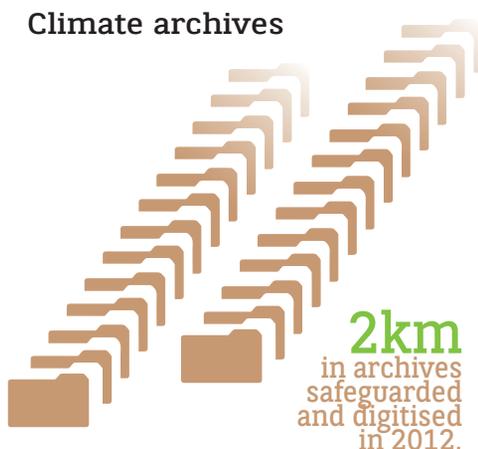


The rate of **responsibly sourced paper\*** went up from 39.1% to 43.5% between 2011 and 2012. In 2013, BNP Paribas will take this approach one step further by listing only responsibly sourced paper as part of its procurement policy.

\*More than 50% recycled or FSC or PEFC-accredited.

## COMMITMENT 12. SUPPORT FOR RESEARCH AIMED AT COMBATING CLIMATE CHANGE

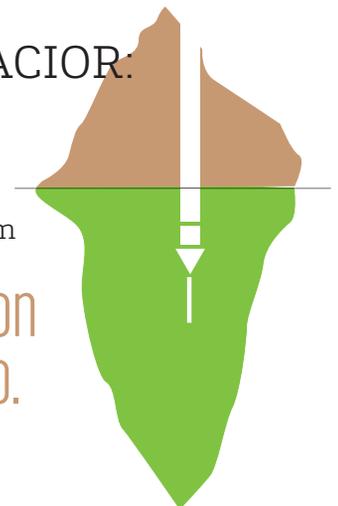
### Climate archives

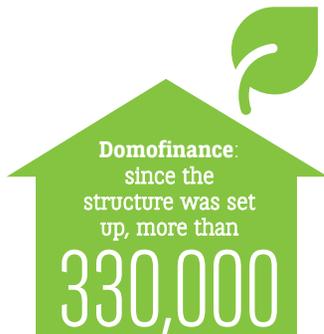


*In Asia, GECD employees worked with the Asia Investor Group on Climate Change and universities in order to analyse the potential financial impacts of climate change on businesses in the Pearl River Delta, a region that is both vulnerable to environmental risks and crucial from an economic perspective.*

### SUBGLACIOR:

creation of a probe that will obtain climate readings from more than **one million years ago.**





projects aimed at reducing housing's energy consumption have received **tailored financing**, yielding **energy** savings at a level equivalent to the annual consumption of close to **30,000 French households**.



During 2012, the Group reduced the average energy consumption of its buildings by 2.6%.



Since 2011, BNP Paribas has supported the **International Weather and Climate Forum**. In 2013, this symposium will be devoted to weather and climate risks.

## PUBLIC POSITIONS

With a presence in 78 countries, BNP Paribas carries out its operations in full compliance with universal rights and principles, as a contributor to or active member of:

- ▶ the Equator Principles
- ▶ the Institutional Investors Group on Climate Change
- ▶ the Climate Principles
- ▶ the Roundtable on Sustainable Palm Oil (RSPO)

BNP Paribas' approach to CSR is also guided by the global and sector-specific public positions it has adopted:

- ▶ a commitment to the environment
- ▶ Financing and investment policies for palm oil and paper pulp, nuclear energy, coal-fired power plants, oil sands and mining.

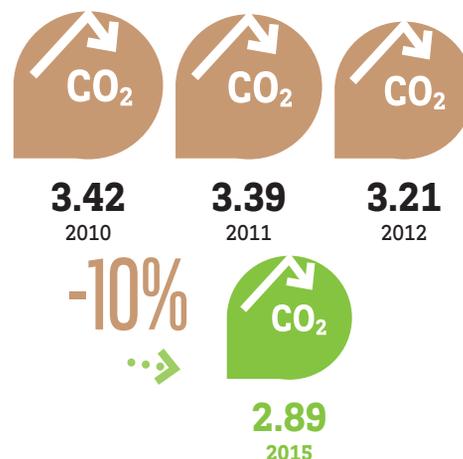
## INDICATORS AND OBJECTIVES

### Proportion of employees trained online in sectoral policies

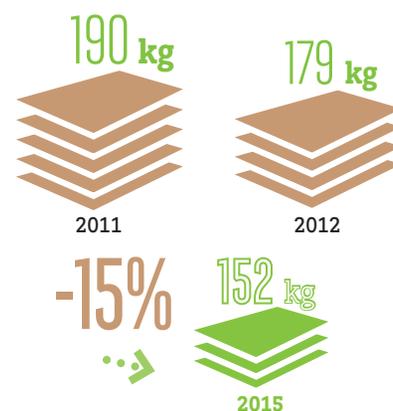


\* employees directly involved in implementing policies

### Greenhouse gas emissions footprint (tCO<sub>2</sub> equivalent/employee)



### Total (internal and customer) paper consumption per employee



**Commitment 10**

# Financing policy commitments in sensitive sectors

*Supporting corporations as well as individuals, the Group seeks to finance responsible projects protecting the environment. BNP Paribas tightly controls its loans and investments in sensitive sectors and has developed a range of products and services to support clients concerned about their environmental impact.*

In 2012, BNP Paribas joined the Equator Principles steering committee for a **three-year period**, alongside 13 other financial institutions.



## THE GROUP'S ACTIONS TO SUPPORT BUSINESSES

### Upholding the Equator Principles on project financing



The Equator Principles are an initiative backed by 79 financial institutions around the world. Under this reference framework, financing for projects amounting to over USD 10 million undergoes detailed analysis based notably on the World Bank's environmental and social standards and directives.

In 2012, BNP Paribas reviewed 13 transactions in accordance with the Equator Principles, compared with 30 in 2011. This reduction was a direct consequence of a slowdown in specific project financing activities in the wake of tighter regulatory constraints.

### Financing and investment policies in sectors with major environmental impacts

Since 2010, the BNP Paribas Group has published policies for four sectors particularly sensitive on environmental issues: palm oil, paper pulp, nuclear power and coal-fired electricity generation. They set mandatory requirements and evaluation criteria for the Group's financing and investment in these sectors. The introduction of these criteria helps to pinpoint all the risks related to certain transactions, ensuring that only responsible projects are selected. These policies apply to all Group businesses, entities and subsidiaries around the world. They are published and are available on BNP Paribas' website.

### Training in the implementation of sector policies

The sector policies concern all the Group's employees. Since their publication in 2010 and 2011, they have been the subject of several training presentations, and more than 1,500 employees were trained in 2012 to identify and process sensitive transactions in these sectors. To meet this growing demand for training in all regions of the world, the Group developed an expert e-learning training course on sector policies during 2012. Containing a wealth of information, it helps users to understand the issues in sensitive sectors, to identify BNP Paribas' response and to know where to obtain additional information within the Group. Available in

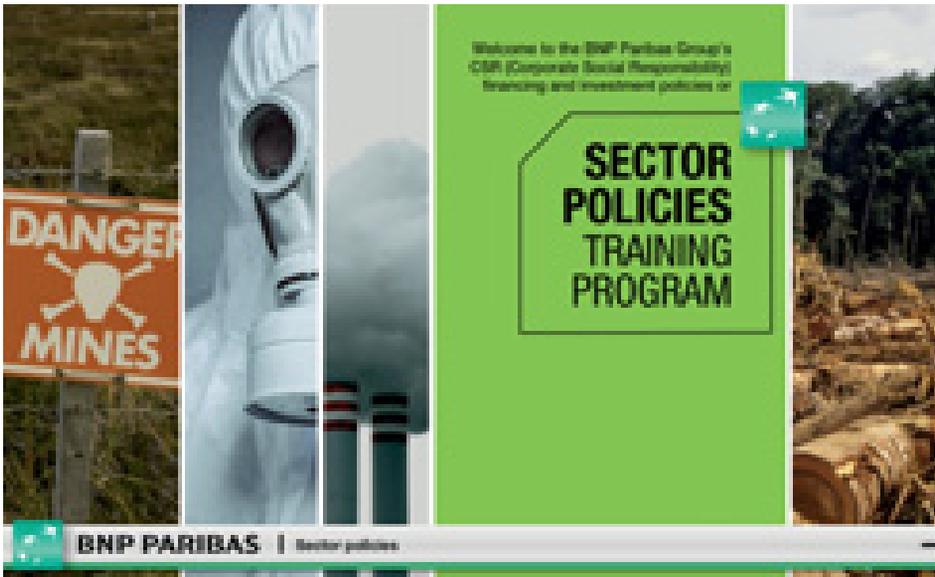
#### >> Transactions reviewed in accordance with the Equator Principles

	2009	2010	2011	2012
<b>Number of transactions reviewed during the year</b>	<b>58</b>	<b>70</b>	<b>30</b>	<b>13</b>
- Category A transactions during the year	7	3	5	2
- Category B transactions during the year	41	54	20	10
- Category C transactions during the year	10	13	5	1

Category A: projects with potentially significant environmental or social impacts. Mitigating and remedial measures need to be implemented for them.

Category B: projects with limited or moderate environmental or social impacts.

Category C: projects with minimal or zero environmental or social impacts.



**GLOBAL:** All employees can now access training in sector policies through a dedicated e-learning system.

seven languages (French, English, Italian, Dutch, Turkish, Polish and Ukrainian), the modules are also accessible to visually impaired people or people with reduced mobility.

### Impact of sector policies

#### Coal-fired power generation

In order to obtain financing from the BNP Paribas Group, electric power plants must meet minimum energy efficiency standards.

**New power plants that are exclusively coal-fired** must, for example, employ supercritical technology with a net energy efficiency of at least 43% for projects in high-income countries and at least 38% in other countries.

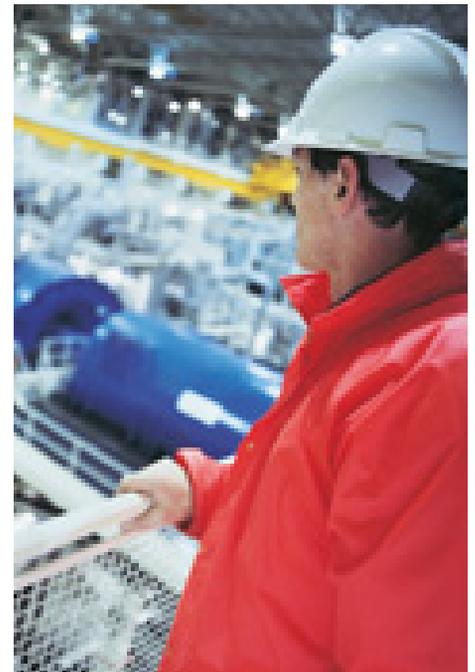
Since this policy took effect in September 2011, **the Group has refused to participate in the financing of around ten power plants, representing annual CO<sub>2</sub> emissions of more than 80 million tonnes**, mainly because of the application of the policy's energy efficiency standards.

#### Nuclear energy

This policy mainly addresses questions of security, safety and protection of people and the environment. It consists of mandatory criteria relating to the host country, the industrial companies working on the project and the technological characteristics of the power station itself.

To confirm that a nuclear power station project conforms to its policy, BNP Paribas may commission on-site audits by independent experts to gain as detailed and reliable as possible information about the project. The Group asks its client to publish the main conclusions of such expert reports. By comparing their conclusions with the criteria in its policy, the Group can then decide whether to participate in the project. The decision-making process is justified and completely transparent.

**BNP Paribas has not provided financing for any nuclear power plant since 2006.**



**GLOBAL:** BNP Paribas implements committed financing and investment policies in sectors with major environmental impacts

**1,500** employees were trained in 2012 to identify and process sensitive transactions.



**GLOBAL:** *Exacting environmental criteria for financing palm oil plantations.*

### **Palm oil and paper pulp**

**These two policies contain precise environmental criteria.** Project financing in these sectors is, for example, dependent on the following requirements:

- Do not convert into plantations UNESCO World heritage sites or sites in the Ramsar List of Wetlands of International Importance.
- Do not convert into plantations high conservation value forests (HCVFs).
- Establish a no-burn policy.
- Establish precise and strict peat land management procedures to be drawn up before exploiting any new plantation.

**For the palm oil sector,** BNP Paribas, a member of the Roundtable on Sustainable Palm Oil (RSPO) since 2011, encourages industrial companies to join this initiative (or equivalent).

The Group regularly enters into dialogue with its clients to encourage them to commit to improving their environmental performance.

**Since March 2011, BNP Paribas has visited and maintained a dialogue with eight companies in Southeast Asia, which represent around 18% of global production and more than 15% of palm tree plantations.**

**Through its influence, BNP Paribas has helped to bring about changes at Golden Agri Resources, Indonesia's number one palm oil producer. The forest protection announcements made by the company in early 2013 were given a warm welcome by environmental NGOs.**

**The Group's financing policy for the paper pulp sector** is based on the FSC (Forest Stewardship Council) and PEFC (Program for

Endorsement of Forest Certification Schemes) standards that certify the sustainable management of forests whose timber is used to produce paper. BNP Paribas encourages producers and traders to adopt these standards.

**In line with its paper pulp policy, the Group placed a major paper pulp producer that was failing to adhere to the criteria of the sector policy on its watch list in September 2011. This company was ultimately removed from the Group's financing and investment universe in 2012, because it did not take convincing steps to comply with BNP Paribas' sector policy.**

## Two new financing and investment policies

### *Oil sands*

This widely available unconventional oil source can help to satisfy the global population's growing demand for energy. That said, if this activity is not controlled properly, it may have pernicious effects on the environment.

BNP Paribas is present in Canada and as such provided financing for the Canadian economy at large. Since oil sands are exploited on a large scale in Canada, BNP Paribas needed to introduce proper checks and controls on its activities in this area. Under its financing and investment policy in this sector, BNP Paribas has formalised its decision to support this business only in Canada, a country with a highly sophisticated regulatory framework that serves to curb certain environmental impacts arising from these activities.

BNP Paribas' policy goes beyond the requirements of the local legislation by specifying additional selection criteria for projects and businesses in the oil sands sector. In particular, the Group requires its clients to commit to reducing their greenhouse gas emissions and to adopting a reasoned water resource management plan.

### *Mining*

The mining sector provides energy resources that are crucial for numerous sectors of activity and represents a major revenue source in a large number of developing countries in which BNP Paribas may be present given its positions in close to 80 countries.

Aware of the major environmental issues arising from mining, the Group stipulates its refusal to finance projects with a severe impact on biodiversity in its new sector policy. In addition, only businesses with plans to measure their water consumption and greenhouse gas emissions and to manage waste are supported.

“

BNP Paribas contributed to one of the biggest success stories of the past few years.”

**Glenn Hurowitz**  
Director of Campaigns  
at Climate Advisers



### **Can financial institutions have a real impact on deforestation?**

Financial institutions can make a huge difference to protect the world's disappearing tropical rainforests, but doing so requires serious engagement with commodity producers and traders. Along with NGO's and consuming companies, BNP Paribas contributed to one of the biggest conservation successes in recent years by declining to finance the world's largest private sector palm oil producer until it ended its reliance on deforestation. This engagement helped convince the producer to adopt an industry-leading standard that prohibits deforestation and destruction of carbon-rich peatland. That's an achievement to be truly proud of.

### **What is your opinion about BNP Paribas Palm oil sector policy?**

The thing that really distinguishes BNP Paribas is that it's not just putting words on paper, but engaging seriously with commodity producers and NGOs to achieve real reductions in deforestation. BNP Paribas recognizes that results matter, and is helping to transform industry laggards into sustainability leaders. I hope other banks will join BNP Paribas in seriously engaging commodity producers and traders to achieve a global shift to deforestation free production that protects the planet and enhances prosperity.

*Glenn Hurowitz and Climate Advisers, a consulting firm that specializes in climate change policy, have never worked or received any remuneration from BNP Paribas or its subsidiaries.*

### A list of excluded goods and activities

As a complement to its sector policies, BNP Paribas has decided not to become involved in financing, investments or deals carrying the highest risks of impacting on the health and safety of populations, protected species or the environment at large. This includes the production, trade or use of drift nets over 2.5 km long, the production of asbestos fibres, the production of or trade in products containing PCBs (polychlorinated biphenyls) and trade in any animal or plant species or products regulated by the CITES (Convention on International Trade in Endangered Species of Wild Fauna or Flora) not authorised by a CITES permit.

### Financing renewable energies and green infrastructures

With total credit authorisations of close to EUR 7 billion at 30 June 2012, of which over EUR 2 billion for project financing, the BNP Paribas Group provides significant support to the renewable energy sector.

A large proportion of its customers is present in Europe, with the majority of them active in the wind energy, hydro and solar energy sectors.

**The Group provided financing or advice for more than 71 projects around the world, with a total installed capacity of more than 9,476 MW at end-2012, equivalent to the annual consumption of 10 million French households.**

#### • United Kingdom: Lincs

BNP Paribas acted as Mandated Lead Arranger for a 270 MW offshore windfarm.

#### • Belgium: Northwind

In 2014, a giant windfarm with 72 turbines and total production capacity of 216 MW will provide a significant share of Belgium's green energy production (230,000 households will be supplied, cutting Belgium's CO<sub>2</sub> emissions by 235,000 tonnes a year).

BNP Paribas is participating in this project in various roles, notably as financial advisor for the sponsors and Mandated Lead Arranger for the commercial term loan.



**GLOBAL:** *BNP Paribas is a major player in financing for renewable energies.*



**UNITED STATES:** *Sumitomo's Desert Sunlight photovoltaic project.*

• **Latin America: Oaxaca II & IV**

BNP Paribas acted as Joint Bookrunner for a USD 300 million bond to finance the Oaxaca II & IV projects in Mexico (two independent wind projects, with a production capacity of 102MW each). This was the first wind project in Latin America to be financed via the capital markets.

• **North America: Capricorn Ridge and Desert Sunlight**

BNP Paribas supported two projects in North America:

- The Capricorn Ridge wind project being developed by NextEra Energy Resources, the largest producer of wind and solar power, with a capacity of 662.5MW.
- Sumitomo's Desert Sunlight project in California, one of the largest photovoltaic solar plants ever built in the United States, with a capacity of 550MW.

**>> GLENNMONT PARTNERS**

In order to accelerate opportunities for growth, the BNP Paribas Clean Energy Partners fund was spun off from the BNP Paribas management company and combined with Glennmont Partners, one of Europe's largest renewable energy investment funds, with assets under management of close to EUR 440 million. Since it was established in 2008, it has invested more than EUR 1 billion in a dozen clean energy infrastructure projects. BNP Paribas will remain an investor in the fund and will continue to support the new company's activities under a distribution agreement.

**“**  
 We are a team dedicated to providing financing for the energy transition.  
**”**

**Guy Pollentier**  
 Director of BNP Paribas Fortis Sustainable Energy

**Can you present the Sustainable Energy Service to us?**  
 We are a team within BNP Paribas Fortis' corporate retail network dedicated to financing the energy transition through our two areas of expertise—renewable energies and energy efficiency solutions for buildings and infrastructure.

**How do you see 2013 shaping up?**  
 Our wind energy and biogas businesses are likely to expand rapidly—perhaps even more rapidly than our solar energy business, which has to contend with new regulations. We also intend to strengthen our positioning in financing energy efficiency solutions and equipment such as heat pumps, to help our customers to consume energy more efficiently and, above all, to consume less.

**What types of project do you support?**  
 In 2012, we analysed the viability of 181 loan requests representing a total of EUR 229 million. Of this demand, 45% related to windfarms, 39% to solar energy, 15% to biogas and the remainder split between hydro facilities and energy efficiency.



Since the structure was set up, more than **330,000** projects have received tailored financing, allowing for energy savings in 2012 at a level equivalent to the annual consumption of close to **30,000** households.

## THE GROUP'S ACTIONS TO SUPPORT INDIVIDUALS

Through its various business lines, consumer credit, vehicle long-term leasing, real-estate development & management, BNP Paribas offers products and services to retail customers seeking to reduce their impact on the environment.

### Domofinance

Domofinance, a joint venture between EDF and BNP Paribas Personal Finance specialising in financing for energy consumption management, has seen an increase in business, with more than 52,000 projects financed in 2012 alone. Industrial manufacturers of equipment used to reduce household energy consumption agreed to improve loan offers with Domofinance, which helped maintain sales levels while enabling households to benefit from highly advantageous loans. Similarly, in response to market demand, Domofinance designed an offer in 2012 intended to help carry out energy renovation work in collective housing, particularly co-owned property. By allowing a

syndicate of co-owners, i.e. a legal entity, to borrow on behalf of coowners who agreed, Domofinance is now meeting energy renovation needs for all types of housing, both individual and jointly owned.

### Arval

Arval, a BNP Paribas subsidiary specialised in long-term leasing of multibrand vehicles, has developed innovative solutions such as Arval Smart Experience™ transforming its relationship with clients and drivers. It has also taken numerous measures to help its clients to reduce their environmental impact.

- **Arval experts offer their customers vehicles best suited to their needs**, thanks to their knowledge of the latest innovations in engine efficiency and alternative fuel. As a result of their advice, vehicle CO<sub>2</sub> emissions are cut by around 5 tonnes per vehicle during the duration of the contract.
- **An eco-driving training programme** teaches drivers how to use their vehicles more efficiently. Initially, increased awareness of best practice enables drivers to cut their consumption by around 5% (e.g. driving with tyres inflated at only 60% of the recommended level causes over-consumption of 1 litre per 100). Subsequently, the training aims to bring about a real change in behaviour, and to cut fuel consumption and CO<sub>2</sub> emissions by 8% to 14%.
- **Arval also made road safety** a key part of its corporate responsibility by developing dedicated training on this subject in 2012.
- **Finally, thanks to the company's AutoPartage offer**, Arval customers can rationalise their travelling costs while reducing their environmental footprint.



FRANCE: Part of Arval's role is to educate its clients about how to drive more fuel-efficiently.

In its 2012 survey of building eco-performance reporting, Novethic ranked BNP Paribas Immobilier **no. 6** in the property development sector.



**FRANCE:** Refurbishment of the Pont du Sèvres towers in Boulogne-Billancourt as part of the Citylights project.

## BNP Paribas Real Estate

BNP Paribas Real Estate confirmed its commitment to sustainable development in its various activities in 2012.

- **In property development, all new projects meet the strictest environmental standards**, with their quality officially certified by independent organisations:
  - in the service sector, all office buildings are certified HQE (high environmental quality), with a performance level rated “excellent” or even “exceptional”, as in the case of the Citylights project to refurbish the Pont de Sèvres towers in Boulogne-Billancourt.Several projects have received double or even triple certification, HQE-BREEAM-DGNB for example, as they uphold various international standards.

– in the residential segment, all housing is BBC accredited (low-consumption building), and has also mostly gained Habitat et Environnement certification from Cerqual;

- **An eco-suppliers charter** has been set up in order to select the best products and best practice in relation to sustainable development criteria.
- **In investment management, an energy audit programme** has been launched for all buildings becoming vacant, in order to build a programme of improvement works. Several renovation projects have obtained or are committed to the BBC renovation label, or the new NF Bâtiment Tertiaire HQE Rénovation certification.
- **BNP Paribas Real Estate was awarded the Prix de l'Excellence** by Certivéa in 2012, for the first project to be HQE Rénovation

certified in France (Vélizy Green, owned by the real estate investment trust, Investipierre).

- **In property management, the final touches were put to E@sytech, a new real estate data reporting tool**, allowing for better monitoring and optimisation of energy consumption. The interactive portal is accessible to all players involved in managing a building, including owners, users and service providers.

**Commitment 11**

# Reduction in the environmental footprint associated with our own operations

The Group's three principal direct environmental priorities are: reducing the greenhouse gases (GHGs) generated by buildings' energy consumption and employee business travel, consuming paper responsibly, and managing waste effectively, especially obsolete IT equipment.

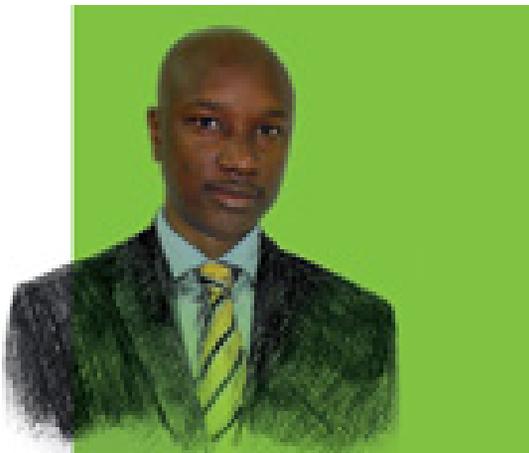
## MEASURE PRIORITIES

To monitor successful implementation of measures in these three areas (GHGs, paper, waste), an environmental reporting system is in place supported by more than 150 employees in 17 countries, representing 83.7% of the full-time equivalent staff (FTEs) managed by the Group at 31 December 2012. The results are then extrapolated to the rest of the Group.

- The Group's energy consumption amounted to 1,751GWh in 2012, vs.



1,950GWh in 2011. Compared with the surface area of its buildings (offices, branches, data centres, etc.), this represents 227kWh/m<sup>2</sup> as against 233kWh/m<sup>2</sup> in 2011. Renewable energy represented 10.6% of this consumption in 2012 vs. 9.3% in 2011. It is sourced either by buying renewable energy certificates or by directly consuming renewable energy produced by the Group's buildings, such as photovoltaic installations on the roofs of branches of First Hawaiian Bank, BNL in Italy and a biomass boiler at a site in France.

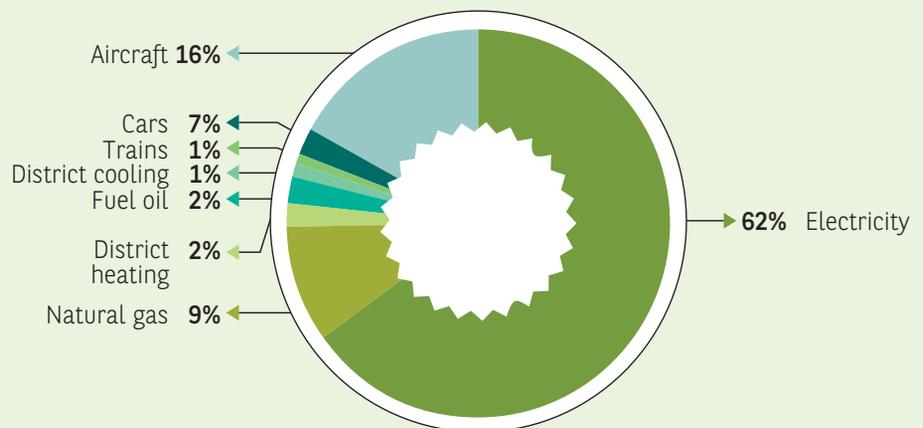


**Mohamed Joseph Séné**  
responsible for CSR in Senegal



In the past, we applied CSR without realising it. Now we take this dimension into account in all our actions through BNP Paribas' 12 commitments. For example, as far as our direct environmental impact is concerned, we endeavour to meet the Group target of reducing paper consumption and have set up a Green committee. ”

**TOTAL GREENHOUSE GAS EMISSIONS: 605,644 TCO<sub>2</sub> EQUIVALENT, I.E. 3.21 TCO<sub>2</sub> EQUIVALENT PER FTE (2011: 673,543 / 3.39)**





The quality of BNP Paribas' environmental reporting was rated **86/100** by the Carbon Disclosure Project in 2012 (compared with 79/100 in 2011), making the Group a sector leader in this area.

**GLOBAL:** Thanks to its awareness-raising initiatives, the Group reduced its paper consumption per employee by 5.8% between 2011 and 2012.

- Business travel totalled 871 million km in 2012 by Group employees i.e. 4,618 km per FTE (vs. 4,979 km per FTE in 2011). REASONABLE ASSURANCE
- On this basis, the Group's emissions in 2012 amounted to 605,644 t CO<sub>2</sub>-e (i.e. 3.21 t CO<sub>2</sub>-e per FTE, vs. 3.39 in 2011), breaking down into 75.7% for buildings and 24.3% for business travel. REASONABLE ASSURANCE
- In accordance with its policy, the Group cut its paper consumption to 33,756 tonnes in 2012 (compared with 37,739 tonnes in 2011), i.e. 179kg/FTE compared with 190kg/FTE in 2011. The rate of responsibly sourced paper (i.e. more than 50% recycled, or PEFC or FSC-accredited) increased from 39.1% to 43.5% between 2011 and 2012. More widely, eco-designed office supplies are preferred in calls for tender, and represented 14.9% of total office supply purchases in 2012 (compared with 10.2% in 2011). REASONABLE ASSURANCE
- In 2012, the Group generated 37,841 tonnes of waste, i.e. 201kg per FTE. Of this, 38% was subsequently recycled. REASONABLE ASSURANCE
- Lastly, controlling impacts on ecosystems also involves focusing on water consumption, which was 26.6 m<sup>3</sup> per FTE in 2012, compared with 34.2 m<sup>3</sup> in 2011.

## IMPLEMENTING BOLD REDUCTION POLICIES

**In the three main areas (GHGs, paper and waste), the Group has drawn up internal policies and quantified objectives for 2015:**

- Cut GHG emissions per employee by 10% compared with 2012;
- Cut paper consumption per employee by 15% compared with 2012;
- Increase the share of responsibly sourced paper to 60% of the total amount consumed internally;
- Increase the share of internal waste paper collected for recycling to 55%;
- Process obsolete IT equipment according to a rigorous policy for controlling the associated environmental and social risks.

Employees are kept informed of the Group's environmental policies through a range of channels: dedicated intranet pages, distribution of internal policies or the obsolete IT equipment end of life management policy, and guides to ecobehaviour distributed in certain countries and businesses.



### >> INDIA

#### > Geojit BNP Paribas invests in a new environmentally friendly building in India

Even though it was inaugurated only a short time ago, Geojit BNP Paribas' new head office in Kochi is already having a positive impact on the environment and on the company's running costs. Now fully operational and housing close to 600 staff, the entire 10,000m<sup>2</sup> complex consumes 25% less energy and 40% less water than traditional offices.

Geojit BNP Paribas' head office was designed to meet the standards devised by the Indian Green Building Council (IGBC). It also aims to be the first LEED-certified building in the Gold category in the city of Kochi.



**GLOBAL:** Videoconferences are a key means of cutting back on business travel.

In 2012, more than **20,000** Group employees worked in an entity or territory where the environmental management system is covered by ISO 14001 certification.

### Cut greenhouse gas emissions by 10% per employee by 2015

Having cut its CO<sub>2</sub>-e/FTE ratio by 5.3% between 2011 and 2012, the Group has undertaken to implement additional measures to reduce it by a further 10% by 2015 compared with 2012 as part of a three-pronged approach: buildings' energy efficiency, reduced consumption by IT equipment (including data centres) and optimisation of business travel.

A range of initiatives is being introduced to drive down energy consumption at the Group's offices. In Belgium, the Group aims to cut consumption by 13% between 2010 and 2015. In France, energy management modules are being deployed in all FRB branches, the model for which has ISO 14001 certification. Wherever possible in the Group, heating and lighting systems within buildings are upgraded with the latest technology: in Japan, air conditioning only kicks in at 28°C in certain buildings; in Morocco, remote switching devices have reduced consumption by 15% in the branches and 25% at the Head Office.

The Group is seeking to cut the energy consumption of its information system. Measures include energy-related criteria being taken into calls for tender for individual computers and displays, a sleep management

programme cutting the consumption of individual workstations, and renewal of the ISO 14001 certification of the BNP Paribas Partners for Innovation (BP2I) subsidiary, which manages all of BNP Paribas' data centres in France and the vast majority of its workstations.

**The average distance travelled by each employee for business purposes was reduced**

**by 7.3% between 2011 and 2012.** Numerous initiatives have been taken to maintain or reduce this trend. The Group's travel policies prioritise alternatives to travel (webconferencing, videoconferencing or even telepresence systems), state a preference for train travel over planes where this makes sense and authorise business class travel on planes only where the length of the journey exceeds a minimum length in hours.



**TURKEY:** A TEB branch with solar panels.



**GLOBAL:** In 2012, BNP Paribas Leasing Solutions France conducted an awareness-raising campaign to encourage its employees to adopt responsible behaviour in the office.

### Cut paper consumption by 15% and lift the share of responsibly sourced paper consumed internally to 60%

Building on a reduction in its total paper consumption (close to 11% between 2011 and 2012), the Group has undertaken to continue this drive by lowering average consumption by FTE by 15% between 2012 and 2015. In addition to measures to raise employee awareness, reduced usage is often achieved, as is the case at BNP Paribas in the United States, TEB in Turkey, Arval and Cardif in Paris, by replacing individual equipment with shared equipment, which requires users to go to the printer to confirm the print instructions sent from their workstation.

The types of paper listed internally meet our environmental criteria, which will help to increase the proportion of the Group's total consumption accounted for by responsibly sourced paper (43.5% in 2012 compared with 39.6% in 2011).

“

We have cut energy consumption by 15% at our branch network.”

**Mina Jebbari**

Director of strategy and quality at Banque Marocaine pour le Commerce et l'Industrie



#### How are you reducing energy consumption in your offices and branches?

In 2012, BMCI trimmed its electricity consumption by curbing the impact of key expense items, such as air conditioning and lighting, especially by systematically shutting down equipment when employees leave.

#### What results have you achieved?

These various measures have led to a 15% reduction in energy consumption across our branch network and a 25% decrease at our head office. The difference in performance is attributable to tighter controls at the head office.

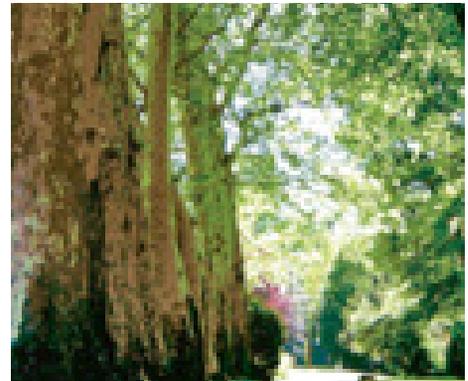
#### Have these measures affected the comfort of users?

These actions have done nothing to reduce users' comfort, since these adjustments have been made outside working hours.



58

tree species identified in the 23-hectare Parc des Voisins where the BNP Paribas Campus is located.



FRANCE: In the Parc des Voisins, BNP Paribas strives to promote biodiversity.

### Reduce waste and recycle it where possible

Most of the Group's waste is paper and it has undertaken to collect 35% of paper for recycling in 2013 and 55% in 2015.

In addition, the Group developed a policy in 2011 for dealing with its obsolete computer equipment (PC, servers, screens, etc.). Breaking down into three options (donation, resale or dismantling), this policy aims to extend the equipment's useful life wherever possible, while ensuring traceability. Dismantling is considered only as a last resort, while striving to ensure that dismantlers maximise the recycling rate.

### COMBAT LOSS OF BIODIVERSITY

**BNP Paribas helps combat the loss of biodiversity in two ways:**

- First, it is working to boost the ordinary biodiversity of the 23-hectare Domaine des Voisins park in Louveciennes, France, which it owns and which in 2012 was the subject of a biodiversity action plan featuring gradual elimination of chemicals/fertilizer products, a moving garden approach, wildflower meadows, responsible mowing, control of invasive species and maintenance of nesting boxes.

- Second, the Group is focusing on paper purchases; by promoting the use of responsibly sourced paper, BNP Paribas helps to protect forest ecosystems, the biodiversity they nurture and the services they provide.

## Commitment 12

# Support for research aimed at combating **climate change**

*The BNP Paribas Group strives not just to monitor the potential impact of its own activities, but also to support efforts to protect the environment.*

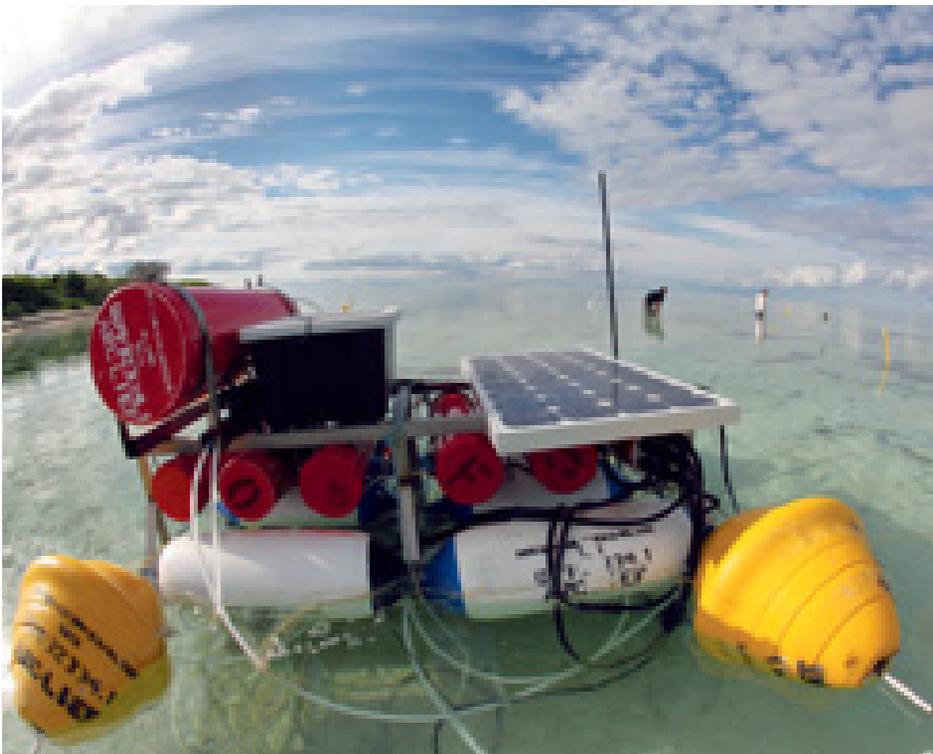
In 2012, the Group continued to work on the Climate Initiative, the philanthropy programme that it launched in 2011 to support fundamental research into climate change.

With a budget of EUR 3 million over three years, it is supporting five research projects by internationally renowned laboratories. These will increase our understanding of how the climate works and of the changes for which we need to plan and adapt.

## “eFOce”

Ocean acidification, caused by absorption into seawater of one quarter of the CO<sub>2</sub> emitted, affects marine flora and fauna. The aim of eFOCE is to verify hypotheses advanced about the biological processes involved in this phenomenon via long-term studies conducted in the natural environment, as overall conclusions cannot be derived from laboratory-based research on isolated cases.

Financing provided by BNP Paribas has enabled researchers to create an innovative mechanism adapted to the complex manipulation of water acidity in the natural environment. A container has been designed to collect the flora and fauna to be studied; it is left open so as not to trap them inside. Controlled by sensors, it is supplied with a constant flow of water containing CO<sub>2</sub> in the proportion forecast at the end of the century.



**FRANCE:** *The eFOCE project provides insight into the long-term effects of ocean acidification.*

Algae damaged by acidification were studied at the end of 2012. In 2013, attention will turn to an important Mediterranean plant that is actually capable of utilising CO<sub>2</sub>.

**“Access to climate archives”**

At the end of the first quarter of 2013, with the help of the BNP Paribas Foundation, the meteorological data collected in France between 1855 and 1960, i.e. 100 years of records, will be made fully available to the global scientific community under a project run by Météo France and the French national archives. The previously unusable 6,300 boxes of archives, which have gradually been cleaned and decontaminated from asbestos, are starting to yield their secrets.

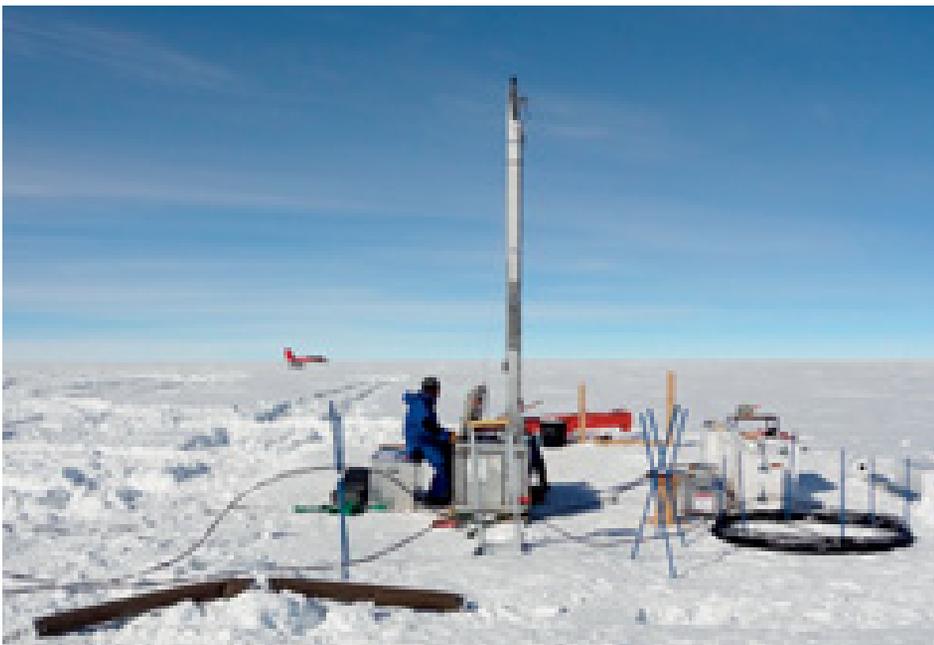
They represent a valuable resource for researchers, because going back in time helps to consolidate our understanding of the climate and refine our forecasts of the impact of human activity. Making use of all the existing resources is therefore essential for anticipating trends. The archives will also be used as educational material and will be the subject of a major exhibition in 2015.



**“Subglacior”**

The aim of this project is to carry out the first-ever analysis of the earth’s atmosphere of more than one million years ago, a period of major climate change that has never yet been explored. Analysing the air trapped in polar ice and establishing a link between its CO<sub>2</sub> content and the climate change of the period should enable researchers to improve their assessment of the sensitivity of the climate to the increased CO<sub>2</sub> stemming from human activity today. A revolutionary probe has been designed, containing a laser that instantaneously analyses the ice in situ. Transmitting data to the surface in real time, it can achieve much more in a single austral summer than analysis of the previous ice cores dating back no more than 800,000 years extracted in a series of campaigns.

**BNP Paribas’ support was crucial to the launch of a prototype and work on a drilling technique.** It also provided impetus for gaining significant funding from the European Research Council (ERC) as well as help from the Agence Nationale de la Recherche (ANR). **The project can thus be seen through to completion, with a campaign of measurements scheduled for 2016-2017.**



**ANTARCTICA:** BNP Paribas is supporting the Subglacior project, which is working on obtaining climate readings more than one million years old.

**>> BNP PARIBAS ALSO SUPPORTS RESEARCH PROGRAMMES**

**> Asia**

GECD employees are working with the Asia Investor Group on Climate Change (AIGCC) and universities in order to analyse the potential financial impacts of climate change on businesses in the Pearl River Delta. This region, which is particularly vulnerable to environmental risks, is also economically essential, as it generates one third of China’s exports.

**> Bulgaria**

The BNP Paribas Foundation Bulgaria is financing four wind generators for a Bulgarian Antarctic base dedicated to climate change research.

## “Preclide”

Predicting climate change over the next ten to thirty years: this is the objective of this project, which should yield projections on a human timescale that more closely address the concerns of decision-makers and citizens. In order to initialise their climate models, researchers use both oceanographic measurements and atmospheric parameters. They then calculate retrospective forecasts, which they compare with actual data in order to tweak their models. During this first phase of the project, **support provided by BNP Paribas made it possible to link up Météo France’s atmospheric model with the Nemo oceanic model designed by the Centre National de la Recherche Scientifique (CNRS).** Forecasts were drawn up for each five-year period based on the data available since 1960. The first results, currently being processed, confirm that forecasts for ten-year forecasts are possible. From 2014, once the model has been improved by further simulations, forecasts will be issued each year in order to raise awareness of the major climate challenges of the future and help governments, local authorities, businesses and individuals to plan ahead for future climate change and make the requisite adjustments.

## “Global Carbon Atlas”

The aim is to create an interactive map of places of CO<sub>2</sub> emission and absorption and of flows of greenhouse gases around the planet. These are being researched locally, but knowledge of how they are distributed and fluctuate remains scant. This project provides an overall synthetic view.

**Financing provided by the BNP Paribas Foundation paid for the recruitment of a scientist who catalogued, collated and standardised all the international data during the fourth quarter of 2012.** In 2013, the Foundation’s help will enable an IT specialist to translate the data into maps, with explanatory texts, so that citizens, decision-makers and politicians can assimilate them.



“ The BNP Paribas Foundation’s approach represents undeniable progress in support of research.”

**Philippe Gillet**  
A trained geologist with a PhD in geophysics, a teacher, research scientist and Vice-Chairman of the École Polytechnique Fédérale de Lausanne and Chairman of the scientific committee for the Climate Initiative programme

**Why is research into climate change the priority?**  
Climate change now has a real impact on our environment, our resources and indirectly on our lifestyles. While this subject is now in the mainstream, research scientists continue to work on it, and their role is to understand why and how this phenomenon has arisen, has evolved and will change over the long term.

**In what way have the Climate Initiative programme’s projects broken new ground?**  
The project’s scientific interest, its transparency, international dimension and the impact of the financing requested are factors that have informed the scientific committee’s decisions and have made it a ground-breaking endeavour. The projects selected are also all remarkable in terms of the excellence of the teams in each of the fields covered and are all led by internationally recognised institutions.

**How does corporate philanthropy help scientific research?**  
Corporate philanthropy, which plays a leveraged role in research, is crucial and represents an effective complement to public subsidies. The BNP Paribas Foundation’s approach represents undeniable progress in support of fundamental research into climate issues, and we naturally hope that it will be replicated by others.

# INDICATORS



**Limited assurance:** intermediate level of assurance, with reviews being carried out on a limited scope (generally 20% to 30% of the total for each indicator reviewed). Limited assurance is expressed “negatively”, with the Auditor stating that it found no material errors calling into question the reality of the data verified.



**Reasonable assurance:** highest level of assurance, with reviews being carried out on a very broad scope (over 50% of the total for each indicator reviewed). Reasonable assurance is expressed “positively”, with the Auditor stating his/her confidence in the reality of the data verified using established procedures.

The levels of assurance referred to in this document relate solely to the 2012 data.

## SOCIETAL INDICATORS

### BNP Paribas Group's support for microfinance institutions



BNP Paribas regards microfinance as one of the most powerful means of combating poverty and exclusion. That is why the Group has been investing for more than 20 years in development of microcredit.

Support for MFIs in emerging markets	2009	2010	2011	2012
Financing (EUR m)	50.0	45.5	34.3	33.1
Investments (EUR m)	n/a*	n/a	n/a	0.6
Number of MFI partners	17	18	26	24
Number of borrowers	300,000	127,000	153,398	134,926
Support for MFIs in mature markets	2009	2010	2011	2012
Financing (EUR m)	n/a	9.2	8.1	15.4
Investments (EUR m)	n/a	1.7	4.1	6.3
Donations (EUR m)	n/a	n/a	1.4	1.5
Number of MFI partners	n/a	n/a	4	4
Number of borrowers	n/a	n/a	6,395	12,786
Overall support for MFIs around the world (EUR m)	n/a	n/a	47.9	56.8

\*n/a: not available.

During 2012, BNP Paribas' support for microfinance institutions (MFIs) totalled EUR 56.8 million, braking down as follows:

- financing volumes (loans) in France, Italy, Belgium, the United Kingdom and in the emerging markets totalled EUR 48.4 million at 31 December 2012.

- investments (equity) in France, Italy, Belgium, Luxembourg and in emerging markets came to EUR 6.9 million at 31 December 2012.
- donations (in cash) during 2012 in France and Belgium amounted to EUR 1.5 million.

### SRI assets under management in EUR billions



31/12/2009	31/12/2010	31/12/2011	31/12/2012
9.3	14.1	15.1	20.1

BNP Paribas Investment Partners, a pioneer of solutions and the development of Socially Responsible Investment products, has doubled its SRI assets under management over the past four years.

### Facilitating access to banking services in emerging markets



Through three initiatives, the Group had provided easier access to banking services for more than **3.71 million people** (by end-2012):

- in Senegal, Côte d'Ivoire and Mali, 3.68 million people (compared with 2.35 million at end-2011) can carry out simple bank transactions using a mobile phone and the dedicated mobile banking services offered by the Group;
- the Pack Trankil launched by Group subsidiary BICI (Banques Internationales du Commerce et l'Industrie) has enabled more than 36,000 people on low incomes in Senegal, Côte d'Ivoire, Mali and Burkina Faso to run a bank account, a withdrawal card, a text service allowing for secure, remote monitoring of their account and advisory services at the customer relations centre—all for EUR 1.50 a month;
- lastly, thanks to the Pack Mertah introduced during 2011 in Morocco, over 2,000 individuals were able to use during 2012 a bank account, a withdrawal card, a savings account, a text alert system and an overdraft facility.

## Financial education



By financial education programmes, we mean one or more sessions raising awareness or introducing basic financial concepts. This may include training in how a bank works, a session on how to prevent young people from getting into too much debt or a budgeting course for people experiencing financial difficulties. During 2012, more than **91,000 people** (including close to half outside our four domestic markets) were able to attend a programme of this type, in conjunction with a charity in certain cases, but always designed and/or led by the Group's employees.

Number of people who benefited from a financial education programme	2011	2012
Domestic markets	30,000	48,212
Total other markets	40,000	43,515
<b>Total</b>	<b>70,000</b>	<b>91,727</b>

## Application of the Equator Principles



	2009	2010	2011	2012
<b>Number of transactions reviewed during the year</b>	<b>58</b>	<b>70</b>	<b>30</b>	<b>13</b>
- Category A transactions during the year	7	3	5	2
- Category B transactions during the year	41	54	20	10
- Category C transactions during the year	10	13	5	1

In 2012, BNP Paribas reviewed **13 transactions** in accordance with the Equator Principles, compared with 30 in 2011. This reduction was a direct consequence of a slowdown in specific project financing activities in the wake of tighter regulatory constraints.

## Number of suppliers scored based on their CSR performance as part of calls for tender in France



BNP Paribas encourages its suppliers to embrace its vision of corporate social responsibility. The central team of the Group Procurement department via its e-sourcing platform asks them to answer a questionnaire in order to evaluate their own social and environmental performance.

	2011	2012
<b>Total number of suppliers whose CSR performance is analysed</b>	<b>500</b>	<b>700</b>

## Actions taken by the BNP Paribas Group to prevent corruption



During 2012, **138,876** anti-money-laundering and anti-terrorist financing **training sessions** were carried out for BNP Paribas employees, of whom **61,253** are active in areas regarded as being more directly exposed to this type of risk.

## Skills-based volunteering



Two associations (MicroFinance Sans Frontières and Bénévolat de Compétences et Solidarité) offer ways for Group staff and pensioners to donate their skills. During 2012, they coordinated a total of more than **36,800 volunteer hours**.

## Corporate philanthropy



During 2012, BNP Paribas devoted a budget of **EUR 38.83 million** to corporate philanthropy via the BNP Paribas Foundation in five areas:

	2011	2012
Solidarity	8.85	14.75
Education	8.45	10.49
Culture	9.3	9
Healthcare	2.85	3.37
Environment	1.66	1.22

## Comparative trends in outstanding corporate and personal loans and in GDP



	Trends in end-2012 vs. end-2008 in outstanding corporate and personal loans	Trends in end-2012 vs. end-2008 in GDP in value terms in the relevant region
France	21.0%	5.0%
Italy	7.9%	-0.6%
Belgium + Luxembourg*	15.9%	11.6%

\* The comparison is made between end-2012 and end-2009 for operations in Belgium and Luxembourg combined.

For five years, BNP Paribas has been able to increase its lending to its customers, despite the adverse economic conditions. The total amount of loans extended to businesses and individuals has thus increased regularly within the Group's four domestic markets, in a proportion well above the level of economic growth recorded in these countries.

## SOCIAL INDICATORS

(unless otherwise stated, indicators relate to the Group scope)

### Workforce trends over the past ten years



	2002	2007	2012	
France	52,586	62,844	<b>58,544</b>	4 domestic markets 99,296
Italy	2,319	19,901	<b>18,583</b>	
Belgium	464	829	<b>18,184</b>	
Luxembourg	966	1,422	<b>3,984</b>	
Europe (excluding domestic markets)	14,761	41,558	<b>45,954</b>	Europe 145,249
North America	9,925	15,046	<b>14,913</b>	
Asia-Pacific	3,639	9,409	<b>14,128</b>	
Africa	5,052	6,692	<b>8,597</b>	
Latin America	1,022	3,287	<b>3,589</b>	
Middle East	700	1,700	<b>2,074</b>	
<b>Total</b>	<b>87,685</b>	<b>162,687</b>	<b>188,551</b>	Rest of the world 43,302

### Recruitments and departures



#### Movements: new additions by type of contract\*

	Men	Women	Total
New hires on permanent contracts	7,988	9,579	<b>17,567</b>
Fixed-term contracts converted into permanent contracts	504	666	<b>1,170</b>
<b>Total</b>	<b>8,492</b>	<b>10,245</b>	<b>18,737</b>
%	45.3%	54.7%	
<i>o/w in Domestic markets</i>	40.2%	59.7%	11,143
<i>o/w in France</i>	44.5%	55.4%	1,927

\* Physical headcount.

#### Movements: reasons for permanent employee departures

	Men	Women	Total
Retirement/early retirement	1,333	821	<b>2,154</b>
Resignations	5,479	7,056	<b>12,535</b>
Dismissals*	1,847	1,870	<b>3,717</b>
Mutually agreed departures	157	138	<b>295</b>
Assisted departure plans	366	268	<b>634</b>
Other terminations of permanent contracts	1,794	2,797	<b>4,591</b>
<b>Total</b>	<b>10,976</b>	<b>12,950</b>	<b>23,926</b>

\* In France, the grounds for the 390 dismissals were professional failings, unsuitability and misconduct.

### Organisation of working hours



#### Type of contract\*

	Men	Women	Total	%
Number of permanent contracts	89,627	93,207	<b>182,834</b>	97%
Number of fixed-term contracts	2,278	3,439	<b>5,717</b>	3%
<b>Total</b>	<b>91,808</b>	<b>96,548</b>	<b>188,551</b>	<b>100%</b>

\* Full-Time Equivalent.

#### Part-time\*

	Men	Women	Total	%
Number of part-time employees	1,733	13,258	<b>14,991</b>	100%
Part-time employees working 80% or more	1,100	8,921	<b>10,021</b>	66.8%
% of part-time employees	2.4%	17.6%		10.2%
% of part-time employees by gender	11.6%	88.4%		100%

\* Physical headcount taking into account 76% of Group headcount.

### Training



#### E-learning

The e-learning programme now features 1,825 new modules, taking the total to 2,718 (1,073 in 2011). They are available in five languages and to all employees. 62% of users have completed more than one module, and 9% have completed ten or more.

	2011	2012
		<b>M: 50.5% W: 49.5%</b>
Number of employees	37,185	<b>66,241</b>
Number of modules completed	81,588	<b>238,962</b>

#### Training: total number of hours and employees\*

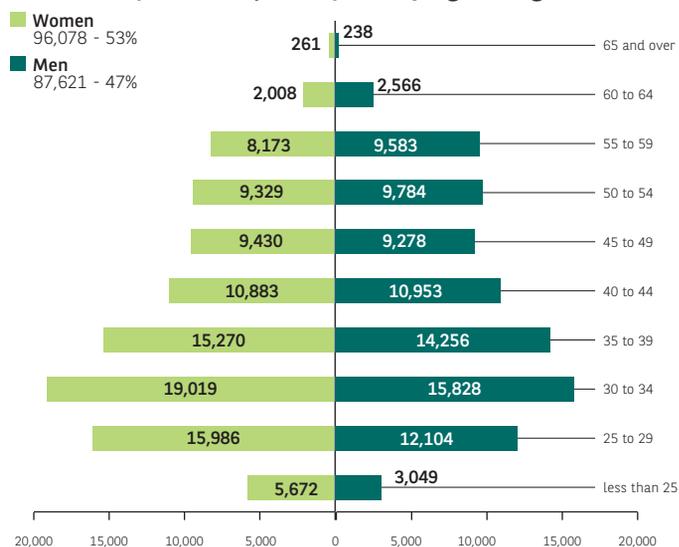
	2012
Total number of employees trained	<b>136,918</b>
Total number of training hours	<b>4,208,901</b>

\* Physical headcount taking into account 77% of Group headcount.

## Diversity



### Breakdown of the Group workforce by age and gender\*



\* Physical headcount taking into account 95% of Group headcount.

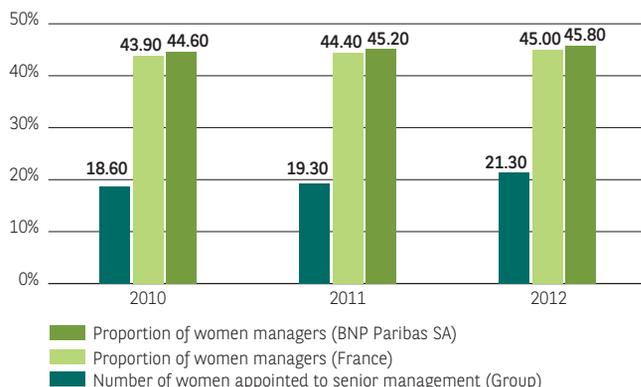
The average age of Group employees is 40.1 years, and their length of service is 11.8 years.

The Group's age structure remains balanced overall. The younger age groups are predominant in most of the Group's divisions, while the Group's retail banking operations in Western Europe predominantly comprise older employees. This diversity requires specific policies to be defined locally depending on the issues.

## Gender equality



The target set in 2009 of having women make up 20% of the Group's Senior Managers by end-2012 was reached. Next target: 25% by end-2014. In France, women make up 45% of managers and 30% of executives. The aim of having women make up 46% of BNP Paribas SA's managers by the end of 2012 was almost attained (45.80%).



## Three indicators for scope comprising our four domestic markets.

### Average retirement age of employees aged 55 or over

As regard the job retention of senior employees, the departure age of older employees increased slightly.



	2010	2011	2012
France	60.02	60.04	<b>60.50</b>
Belgium	59.35	58.41	<b>59.72</b>
Italy	58.84	59.52	<b>60.13</b>
Luxembourg	58.85	58.45	<b>58.70</b>
<b>Total</b>	<b>59.7</b>	<b>59.4</b>	<b>60.2</b>

## Number of employees with disabilities



The Group had more than 2,600 employees with disabilities in 2012 across 17 countries, and it recruited more than 100 people with disabilities in seven countries during the year.

	2010	2011	2012
France	1,057	1,144	<b>1,248</b>
(of which BNP Paribas SA)	(893)	(983)	<b>(1,088)</b>
BNP Paribas Fortis in Belgium	n/a*	59	<b>68</b>
Italy	n/a	532	<b>635</b>
(of which BNL)			<b>(513)</b>
Luxembourg	n/a	35	<b>36</b>
(of which BGL BNP Paribas)			<b>(27)</b>

\*n/a: not available.

## Employee-management dialogue



### Number of collective agreements signed

148 collective agreements in 11 countries in the following areas: compensation and employee benefits, employment, disabilities, health and safety at work, diversity (equal treatment, combating discrimination, gender equality, age diversity), harassment and remote working.

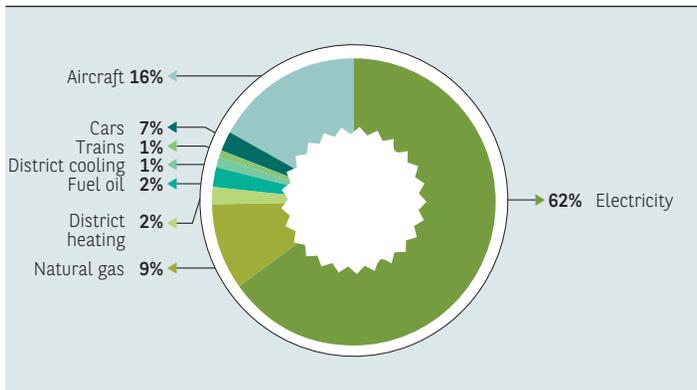
	2010	2011	2012
France	n/a*	73	<b>69</b>
(of which BNP Paribas SA)		(6)	<b>(8)</b>
Belgium	n/a	15	<b>12</b>
(of which BNP Paribas Fortis)		(14)	<b>(10)</b>
Italy	n/a	56	<b>51</b>
(of which BNL)		(25)	<b>(30)</b>
Luxembourg (industry agreement)	n/a	1	<b>1</b>

\*n/a: not available.

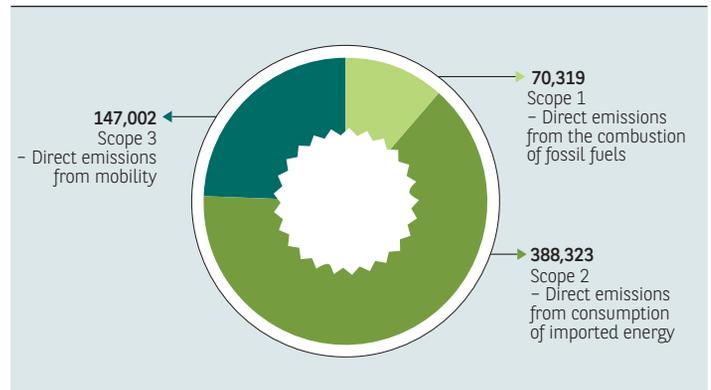
## ENVIRONMENTAL INDICATORS

To monitor successful implementation of measures addressing its direct environmental impact, an environmental reporting system is in place supported by more than 150 employees in 17 countries, covering 83.7% of the workforce managed by the Group at 31 December 2012. Around forty indicators are reported in this campaign: kWh, m<sup>3</sup> of gas, km travelled, litres of water, tonnes of paper, tonnes of waste, etc. By extrapolating for the 16.3% not covered, the results are used to calculate the environmental data mentioned in this section for the whole Group, which is presented below.

**Total greenhouse gas emissions: 605,644 tCO<sub>2</sub> equivalent, i.e. 3.21 tCO<sub>2</sub> equivalent per FTE**  
(2011: 673,543/3.39)

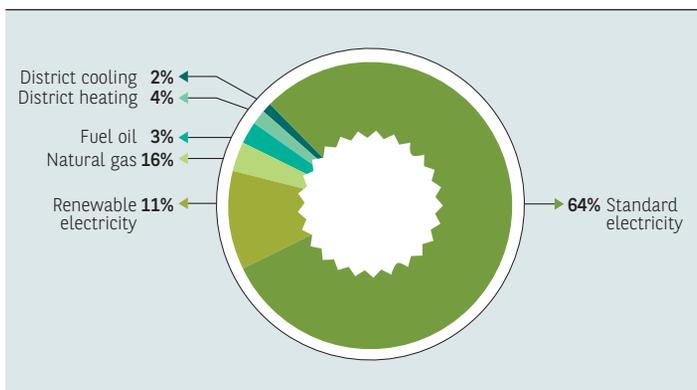


**Breakdown of these emissions by scope of the GHG Protocol/ISO 14064-1**

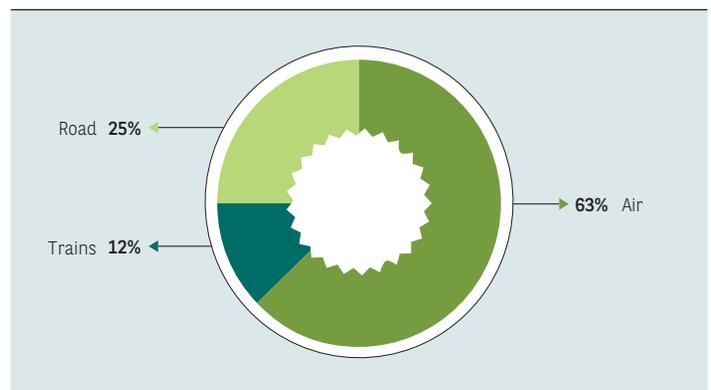


Greenhouse gas emissions (GHGs) are measured by converting the energy consumed in buildings (heating, air conditioning, lighting, IT power supply) and in employee business travel (air, rail, road) into tonnes of CO<sub>2</sub> equivalent (t CO<sub>2</sub>-e, including all six greenhouse gases covered by the Kyoto protocol).

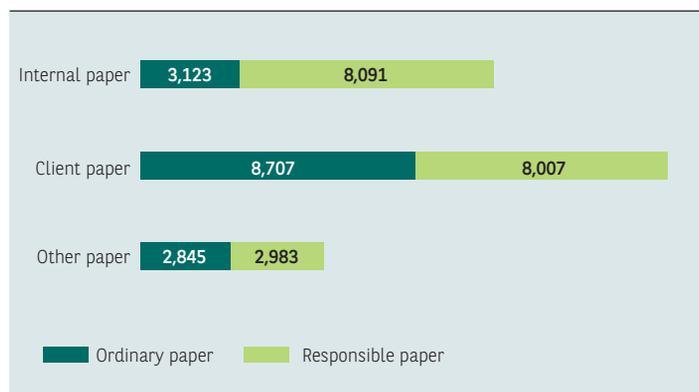
**Energy consumed in buildings: 1,751 GWh 227 kWh per sq.**  
(2011: 1,951/233)



**Business travel: 871 million km, i.e. 4,618 km per FTE**  
(2011: 988/4,979)

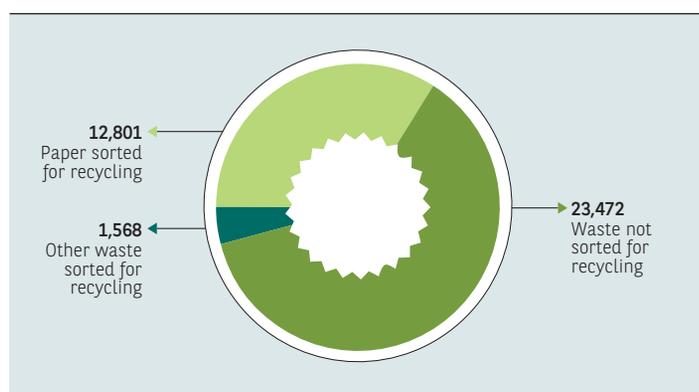


**Total paper consumption:**  
**33,756 tonnes, i.e. 179 kg/FTE**  
 (2010: 37,739/190)



kg/FTE	Total group			By FTE			Overview of targets for the Group paper policy		
	unit	2011	2012	unit	2011	2012	unit	2013	2015
Total paper consumption	tonne	37,739	<b>33,756</b>	kg/FTE	190	<b>179</b>			152
<i>o/w Responsible paper</i>	%	39,1%	<b>43,5%</b>						
Internal paper consumption	tonne	12,410	<b>11,214</b>	kg/FTE	63	<b>59</b>	kg/FTE	52	39
<i>o/w Responsible paper</i>	%	25%	<b>27,8%</b>					40%	60%
Client paper consumption	tonne	17,735	<b>16,714</b>	kg/FTE	89	<b>89</b>	kg/FTE	73	65
<i>o/w Responsible paper</i>	%	49%	<b>52,1%</b>					100%	100%
Other paper consumption	tonne	7,594	<b>5,828</b>	kg/FTE	38	<b>31</b>			
<i>o/w Responsible paper</i>	%	37,8%	<b>48,8%</b>						
<b>Total tonnage of used paper sorted for recycling</b>	<b>tonne</b>	<b>11,660</b>	<b>12,801</b>	<b>kg/FTE</b>	<b>59</b>	<b>68</b>	<b>kg/FTE</b>	<b>65</b>	<b>76</b>

**Office waste: 37,841 tonnes, i.e. 201 kg/FTE,**  
**of which 38.0% is sorted for recycling**  
 (2011: 37,240/188/34.6%)



# REFERENCE TABLE FOR MAIN SUBJECTS

CSR Report	Pages	Art. 225 Grenelle II	Global Reporting Initiative	ISO 26000	Principles of the Global Compact	PNUE**
<b>INTRODUCTION</b>	<b>p. 1 - 3</b>					
Message from the Chairman and the Chief Executive Officer	p. 1					
Contents	p. 2 - 3					
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A portfolio of businesses geared to the needs of our customers	p. 6 - 7		2.2, 2.3, LA1	6.4.3		
The BNP Paribas Responsibility Charter	p. 8 - 9		2.1, 2.7, FS1, FS3	6.6.3, 6.6.4, 6.6.6, 6.7.3, 6.8.3, 6.8.9	1	1.1, 1.4, 3.1
<b>OUR CSR APPROACH: structure BNP Paribas' responsible engagement</b>	<b>p. 10 - 23</b>					
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Dialogue with stakeholders	p. 23	Arrangements for dialogue with stakeholders	4.14	5.3.3		3.3, 3.5
<b>OUR ECONOMIC RESPONSIBILITY: financing the economy in an ethical manner</b>	<b>p. 24 - 43</b>					
<b>Long-term financing for the economy</b>	<b>p. 28 - 31</b>					
One of the most solid banks in Europe, planning ahead for the new regulations	p. 28		EC9	6.7.8		1.2
Significant growth in personal and corporate loans	p. 28 - 30	Territorial impact of business activities in terms of employment and regional development	EC1, FS7	6.8.7		1.3
Numerous initiatives to support economic growth	p.30 - 31	Support, partnership and philanthropy initiatives	EC1, FS7	6.8.3, 6.8.7		1.3
<b>Business ethics</b>	<b>p. 32 - 37</b>					
Strengthen protection of customer interests and improve transparency of products and services	p. 33 - 35	- Actions taken to prevent any form of corruption - Measures taken to protect consumers' health and safety	FS1-2, FS15-16, PR1-2, SO2, SO4	6.7.3, 6.7.4, 6.7.6, 6.7.8	10	3.3
Control the impact on society of financial products and services	p. 36 - 37	Actions taken to prevent any form of corruption	FS1-2, FS3, FS5, FS16, SO2-3	6.2, 6.6.3	1, 2, 10	3.3
<b>A range of responsible products</b>	<b>p. 38 - 43</b>					
Integrate ESG criteria into savings products	p. 39	Inclusion of society-related and environmental issues in procurement policy	FS11, FS15, EN26	6.6.6, 6.7.9	7, 8	1.3, 2.7, 3.2, 3.3
Provide customers with decision-making tools	p. 39	Measures taken to protect consumers' health and safety	FS16, PR1-2	6.6.6, 6.7.3, 6.7.9	8	2.7, 3.2
Design and promote socially responsible investment funds	p. 40 - 41	Inclusion of society-related and environmental issues in procurement policy	FS15, PR1-2	6.6.6	7, 8	1.3, 2.7, 3.2, 3.3
Design products with a positive impact on society	p. 42 - 43	Territorial impact of business activities in terms of employment and regional development	FS13-14, SO1	6.3.7, 6.3.9, 6.8.8		
<b>OUR SOCIAL RESPONSIBILITY: Pursuing a committed and fair human resources policy</b>	<b>p. 44 - 63</b>					
<b>Recruitment and training</b>	<b>p. 48 - 51</b>					
Workforce trends	p. 48	- Total workforce - Breakdown of the workforce by geographical region	LA1	6.4.3		
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Absenteeism	p. 50	Absenteeism	LA7	6.4.4		
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Within the Group Local initiatives	p. 52 - 56	- Gender equality - Employment and integration of people with disabilities - Measures to combat discrimination and promote diversity	LA13-14, EC7	6.3.7, 6.4.3	1, 6	1.4

CSR Report	Pages	Art. 225 Grenelle II	Global Reporting Initiative	ISO 26000	Principles of the Global Compact	PNUE**
<b>Solidarity-based employment management</b>	<b>p. 57 - 63</b>					
Quality employee-management dialogue Employment management	p. 57	- Organisation of employee-management dialogue - Overview of collective agreements	LA 4	6.4.3, 6.4.5	1, 3	3.3
Active mobility policy Career management	p. 58 - 59	Training policy	LA5, LA11	6.4.3, 6.4.7	1	3.3
A competitive compensation and employee benefits policy	p. 60 - 61	- Compensation - Changes in Compensation - Occupational health arrangements	LA3, LA6	6.4.3, 6.4.4	1	3.3
Protecting employees' health	p. 62 - 63	- Occupational health arrangements - agreements with unions regarding health and safety at work - Occupational safety - Frequency and severity rate of Occupational accidents	LA6, LA7, LA8, LA9	6.4.6	4	3.3
<b>OUR CIVIC RESPONSIBILITY: Combating exclusion, promoting education and culture</b>	<b>p. 64 - 85</b>					
<b>Combating exclusion and supporting social entrepreneurship</b>	<b>p. 68 - 75</b>					
Drive to combat poverty and exclusion	p. 68 - 73	- Measures to combat discrimination and promote diversity - Measures taken to protect consumers' health and safety	LA13, PR1, FS13-14, FS16, SO1	6.3.7, 6.7.4, 6.8.4, 6.8.9	1, 6	1.4
Projet Banlieues: strong commitment in France	p. 74 - 75	Measures to combat discrimination and promote diversity	LA13	6.3.7	1, 6	1.4
<b>Corporate philanthropy policy focused on education, health, culture and solidarity</b>	<b>p. 76 - 83</b>					
A structured and inclusive corporate philanthropy policy	p. 76 - 79	- Support, partnership and philanthropy initiatives - Measures to combat discrimination and promote diversity	EC1, EC6, EC8, LA13	6.8.3, 6.8.4, 6.8.9	1, 6	1.4
Committed employees showing solidarity	p. 80 - 83	Support, partnership and philanthropy initiatives	FS14, EC1, EC8	6.3.7, 6.8.3, 6.8.9	1	1.4
<b>Compliance with the UN's Guiding Principles on Human Rights</b>	<b>p. 84 - 85</b>					
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<b>OUR ENVIRONMENTAL RESPONSIBILITY: combating climate change</b>	<b>p. 86 - 105</b>					
<b>Financing policy commitments in sensitive sectors</b>	<b>p. 90 - 97</b>					
The Group's actions to support businesses	p. 90 - 95	- Organisation of the company so as to take account of environmental issues - Measures taken to preserve or develop biodiversity	FS1-2, EN5, EN14, EN26	6.5.4, 6.5.5, 6.6.6, 6.7.5	7, 8, 9	1.3, 1.4, 2.1, 2.3, 2.4, 2.7, 3.1
The Group's actions to support individuals	p. 96 - 97	Measures taken to improve energy efficiency and use of renewable energy	FS1, FS2, EN6, EN7	6.5.4	7, 8, 9	2.4, 2.5, 2.7, 3.1
<b>Reduction in the environmental footprint associated with our own operations</b>	<b>p. 98 - 102</b>					
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Implement bold reduction policies	p. 99 - 102	- Energy consumption - Greenhouse gas emissions - Prevention, recycling and waste treatment	FS1, FS2, EN3, EN7, EN16, EN26	6.5.4, 6.5.5, 6.7.5	7, 8, 9	2.4, 2.7, 3.1
Combat loss of biodiversity	p. 102	Measures taken to preserve or develop biodiversity	FS1, FS2, EN7, EN26	6.5.5, 6.5.6	7, 8, 9	2.4, 2.7, 3.1
<b>Support for research aimed at combating climate change</b>	<b>p. 103-105</b>	<b>Support, partnership and philanthropy initiatives</b>	<b>FS1, FS2, EC1, EC8, EN26</b>	<b>6.8.6, 6.8.9</b>	<b>8, 9</b>	<b>2.3</b>
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\* Managerial approach defined in the GRI G3 guidelines; EC: Economy; EN: Environment; PR: Product Responsibility; LA: Employment, Labour and industrial relations; HR: Human rights; SO: Society; FS: Impact of products and services

\*\* Declaration by financial institutions on the environment and sustainable development, May 1997 text

# STATUTORY AUDITORS' REVIEW REPORT

*This is a free translation into English of the review report by one of the Statutory Auditors issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.*

## REVIEW REPORT BY ONE OF THE STATUTORY AUDITORS ON A SELECTION OF SUSTAINABLE DEVELOPMENT INDICATORS PUBLISHED IN THE BNP PARIBAS 2012 CORPORATE SOCIAL RESPONSIBILITY REPORT

Further to your request and in our capacity as Statutory Auditor of BNP Paribas, we have carried out work for the purpose of enabling us to express:

- **reasonable assurance on a selection of social and environmental indicators published in the BNP Paribas 2012 Corporate Social Responsibility Report which are indicated by the following symbol;**
- **limited assurance on a selection of societal indicators published in the BNP Paribas 2012 Corporate Social Responsibility Report which are indicated by the following symbol.**



The following sustainable development indicators and issues were selected by BNP Paribas for the purposes of the review:

- **Social section:**
  - "FTE workforce" indicator (worldwide);
  - "Movements" indicator (worldwide);
  - "Breakdown of Group workforce by age and gender" indicator (worldwide);
  - "Fixed-term employment rate" indicator;
  - "Number of women appointed to senior management" indicator (worldwide);
  - "Average retirement age of employees aged 55 or over" indicator (France, Belgium, Luxembourg and Italy);
  - "Employees with disabilities" indicator (France, Belgium, Luxembourg and Italy);
  - "Social dialogue: number of collective agreements signed" indicator (France, Belgium Luxembourg and Italy);
  - "E-learning: number of modules completed" indicator (France, Belgium, Luxembourg and Italy).
- **Environmental section:**
  - "Electricity consumption" indicator (worldwide) as used in calculating greenhouse gas (GHG) emissions data (scope II);

- "Natural gas consumption" indicator (worldwide) as used in calculating GHG emissions data (scope I);
- "Fuel consumption" indicator (worldwide) as used in calculating GHG emissions data (scope I);
- "District heat consumption" indicator (worldwide) as used in calculating GHG emissions data (scope II);
- "District cold consumption" indicator (worldwide) as used in calculating GHG emissions data (scope II);
- "Business air travel" indicator (worldwide) as used in calculating GHG emissions data (scope III);
- "Business rail travel" indicator (worldwide) as used in calculating GHG emissions data (scope III);
- "Travel by car" indicator (worldwide) as used in calculating GHG emissions data (scope III);
- "Greenhouse gas (GHG) emissions in tCO<sub>2</sub>e" indicator (worldwide) for scope I, II and III emissions;
- "Total paper consumption" indicator (worldwide);
- "Responsible paper consumption" indicator (worldwide).

- **Societal section:**

- "Application of the Equator Principles: number of projects reviewed and number of projects ranked A, B and C" indicator;
- "Support for MFI's in mature markets" indicator;
- "SRI (Socially Responsible Investment) assets under management" indicator;
- "Facilitating access to banking services in emerging markets" indicator;
- "Number of people who benefited from a financial education programme" indicator;
- "Number of suppliers scored based on their CSR performance as part of calls for tender in France" indicator;
- "Actions taken by BNP Paribas Group to prevent corruption" indicator;
- "Skills based volunteering" indicator;
- "Corporate philanthropy" indicator;
- "Comparative trends in outstanding corporate and personal loans and in GDP" indicator.

These sustainable development indicators for 2012 were prepared under the responsibility of Group Human Resources and the Corporate Social Responsibility Department of the BNP Paribas Group in accordance with the Group's "2012 social reporting protocol", "2012 environmental reporting protocol" and "2012 societal reporting protocol" as used by BNP Paribas, available from the BNP Paribas Group Corporate Social Responsibility Department.

Our role is to form a conclusion on the selected indicators, based on our work.

## Nature and scope of our work

We performed the procedures in accordance with IFAC norm ISAE 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and in accordance with French professional standards.

We performed the procedures described below to obtain assurance about whether the selected sustainable development indicators and issues are free of material misstatement.

The work we performed on the societal indicators enables us to express limited assurance. A higher level of assurance would have required us to carry out more extensive work.

The work we performed on the social and environmental indicators was more extensive and enables us to express reasonable assurance.

### We reviewed the reporting procedures used by BNP Paribas in light of their appropriateness, reliability, objectivity and clarity.

#### ● At the Group level:

- We performed analytical procedures and verified, on a test basis, that the data used to produce the social and environmental indicators had been correctly calculated and consolidated. This work involved, in particular, interviews with the persons from the BNP Paribas Corporate Social Responsibility Department, the Group Human Resources Department and the disability management team (*Mission Handicap*) responsible for compiling and applying the procedures and consolidating the data.
- We verified that the procedures were correctly implemented on the basis of interviews with the persons in charge of drafting the societal indicators within the Corporate Social Responsibility Department and with the persons who contributed to the reporting of societal data. We also performed in-depth checks to verify the calculations and reconcile the data with the supporting documents.

#### ● We selected a sample of entities, as follows:

- France: BNP Paribas SA in Paris (social indicators), ITP ARF and IMEX (environmental indicators);
- Belgium: BNP Paribas Fortis in Brussels (social and environmental indicators);
- Luxembourg: BGL in Luxembourg (social and environmental indicators);
- Italy: BNL in Rome and Findomestic in Florence (social and environmental indicators);
- Switzerland: BNP Paribas in Geneva (social and environmental indicators);
- Poland: BNP Paribas Bank Polska in Krakow (social and environmental indicators);
- Turkey: TEB in Istanbul (social and environmental indicators);
- United States: Bank of the West in San Francisco, CA (social and environmental indicators);
- France: Arval, BNP Paribas Leasing Solutions, BNP Paribas Arbitrage, Cardif and BNP Paribas Securities Services (social indicators).

This selection was made on the basis of the quantitative and qualitative criteria applied to the indicators.

#### ● With regard to the selected entities:

- we checked that the procedures had been properly understood and correctly implemented on the basis of interviews with the persons responsible for preparing the data;
- we performed in-depth checks on a test basis to verify the calculations and reconcile the data with the supporting documents.
- The contribution of these entities to the Group's consolidated indicators represents 59% for social indicators and between 57% and 94% for environmental indicators. We were assisted in our work by our teams specialised in sustainable development.

## Conclusion

### Social and environmental indicators

In our opinion, the social and environmental indicators and issues selected comply, in all material respects, with the Group's "2012 social reporting protocol" and "2012 environmental reporting protocol" as used by BNP Paribas and applicable for the year 2012.

### Societal indicators

Based on our work, no material irregularities came to light causing us to believe that, on the one hand, the procedure for drafting societal information and, on the other hand, the societal indicators selected do not comply, in all material respects, with the Group's "2012 societal reporting protocol" as used by BNP Paribas and applicable for the year 2012.

Neuilly-sur-Seine, 25 April 2013

One of the Statutory Auditors  
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Étienne Boris  
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Sylvain Lambert  
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## FOR FURTHER INFORMATION

To learn more about BNP Paribas' commitment to sustainable development or consult the online version of the 2012 CSR report at:

[www.bnpparibas.com/banque-responsable/rse](http://www.bnpparibas.com/banque-responsable/rse)

The employees of the BNP Paribas group are personally involved in numerous goodwill initiatives around the world. To learn more, encourage and share on the blog:

<http://www.forachangingworld.com>

Other accessibility-enhanced publications are available at:

[www.bnpparibas.com](http://www.bnpparibas.com)

(2012 Annual report, 2012 Registration document, etc.)

**We wish to thank all the Group employees who contributed to this CSR Report.**



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