

**EMPLOYER**  
responsibility



**ECONOMIC**  
responsibility



# 2013 A RESPONSIBLE BANK 30 KEY FACTS

**CIVIC**  
responsibility



**ENVIRONMENTAL**  
responsibility



**BNP PARIBAS** | The bank for a changing world

# A RESPONSIBLE BANK

## 4 PILLARS AND 12 COMMITMENTS

### OUR 4 PILLARS

#### Our ECONOMIC responsibility

Financing the economy in an ethical manner

#### Our EMPLOYER 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

*// We strive each day to ensure success for those who place their trust in the bank and for the good of society. We are a responsible bank and we take great pride in our profession. //*



In the wake of the financial crisis, banks have come in for severe criticism. BNP Paribas has come through the crisis well, yet we too have suffered, however unfairly, from negative perceptions of the

# OUR ECONOMIC RESPONSIBILITY

Financing the economy in an ethical manner

## LONG-TERM FINANCING FOR THE ECONOMY

- 1 Strength through **diversification**
- 2 Proven **risk-management** expertise
- 3 **Robust** financial foundations
- 4 Over **€320 billion** of loans in our domestic markets
- 5 Committed to **small and medium-sized** enterprises
- 6 **Continuous lending** throughout the crisis
- 7 The leading bank for corporates **in Europe** and beyond
- 8 Corporate and investment-banking solutions **to help clients grow**
- 9 **Creating value** year after year

## BUSINESS ETHICS

- 10 **Client interests** first
- 11 **Combating fraud** and illicit activity
- 12 **Responsible lending** in consumer finance
- 13 A transparent **dialogue** with customers

## A RANGE OF RESPONSIBLE PRODUCTS

- 14 **Responsible** savings and investment solutions



# OUR EMPLOYER RESPONSIBILITY

Pursuing a committed and fair human-resources policy

## RECRUITMENT AND TRAINING

- 15 **Innovation** in recruitment
- 16 Valuing, encouraging and **investing** in our people

## DIVERSITY

- 17 Committed to **diversity** and equal opportunity
- 18 Welcoming **all abilities**

## SOLIDARITY-BASED EMPLOYMENT MANAGEMENT

- 19 An employer **of choice**
- 20 Pride in **our work**

# OUR CIVIC RESPONSIBILITY

Combating exclusion, promoting education and culture

## EFFORTS TO COMBAT EXCLUSION AND SUPPORT SOCIAL ENTREPRENEURSHIP

- 21 Over **€100 million** for microfinance and social enterprise
- 22 **Empowering** our customers
- 23 Access **for all**

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

- 24 Engaged in our **local communities**
- 25 **€39 million** for corporate philanthropy

## COMPLIANCE WITH THE UN GUIDING PRINCIPLES ON HUMAN RIGHTS

- 26 Respect for **human rights**



# OUR ENVIRONMENTAL RESPONSIBILITY

Combating climate change

## FINANCING POLICY COMMITMENTS IN SENSITIVE SECTORS

- 27 **Vigilance** in our lending and investments
- 28 Helping the transition **to renewable energies**

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

- 29 **Limiting the impact** of our own operations

## SUPPORT FOR RESEARCH AIMED AT COMBATING CLIMATE CHANGE

- 30 Funding **environmental protection**



Financing the economy in an ethical manner

# OUR ECONOMIC RESPONSIBILITY

LONG-TERM FINANCING FOR THE ECONOMY  
BUSINESS ETHICS  
A RANGE OF RESPONSIBLE PRODUCTS



Our primary vocation is to serve our clients, help them to achieve their goals and create long-term relationships. Loyalty to our clients is a fundamental principle. The Group plays a leading role in the economies of a number of countries and sees itself as having a special role in our domestic markets of France, Belgium, Italy and Luxembourg. 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.

Extract from The BNP Paribas Charter: Our Mission, Our Responsibility.

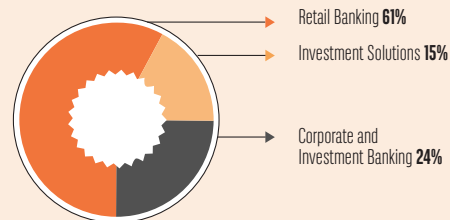
## LONG-TERM FINANCING FOR THE ECONOMY

### 1 Strength through diversification

- Our clients include individual consumers and investors, small and medium-sized enterprises (SMEs), municipal and public-sector organisations, other financial institutions, governments and large, global corporations. Together they represent a **diverse client base**. This means we are not overly dependent on certain markets and client segments.
- Nor are we overly concentrated on a single region. We serve clients the world over, in **mature markets** such as Europe, Japan and North America, and increasingly in the **growth markets** of Asia, Africa and Latin America.
- In 2012 we earned 61% of our income from retail banking, 24% from corporate and investment banking and 15% from our Investment Solutions (asset gathering) business. The result is a healthy, balanced business model that spans a range of banking and associated financial services. It ensures a **diversified source of earnings and a spreading of risk** across a wide base of clients, industries and countries.



2012 Revenues by operating division

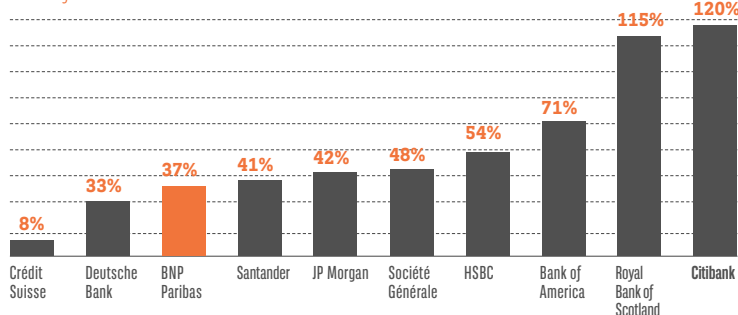


## 2

## Proven risk-management expertise

- We have come through the crises better than many thanks to a **prudent approach** to risk management. Our cost of risk since 2007

Cost of risk 2007-2012\*



\* Source: Banks' reports

compares favourably with peers in Europe and around the world.

- We have a diversified portfolio which mitigates risks. We also reduce risk through a strict **segregation of decision-making** regarding credit. Those granting credit and undertaking risk in the Group's name are independent of business and commercial units.
- We have notably incorporated **environmental, social and governance (ESG) criteria** into our credit decision-making. The methodology is in place for shipping, insurance and large companies and is being adopted for sectors such as leveraged buyouts and real estate.

## 3

## Robust financial foundations

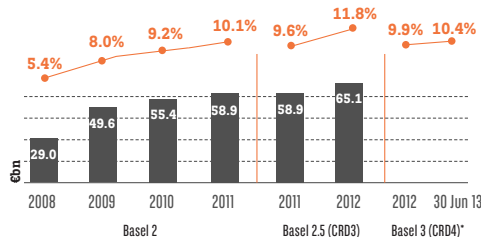
- Our global liquidity buffer at the end of June 2013 was made up of over €236 billion of liquidity and **immediately available** asset reserves. Our MLT (medium- and long-term) funding programme for 2013 amounts to €30 billion, and €25 billion had been raised by 30 June.

- In 2012 our stable funding surplus **doubled** and by 30 June 2013 had reached

**€88 billion**

- Our common equity "Tier 1" capital more than doubled between 2008 and 2012 to reach €65 billion. Our fully-loaded Basel 3 (CRD4) solvency ratio was 10.4% at the end of June 2013. We are **six years ahead** of the deadline for the new capital requirements.

Growth in equity - Tier 1 capital



Common equity Tier 1 ratio

Common equity Tier 1 capital €bn

\*Fully-loaded, as applied by BNP Paribas



4

## Over €320 billion of loans in our domestic markets



→ In our four domestic markets of France, Belgium, Italy and Luxembourg, loans to individuals and businesses in 2012 totalled €324 billion, of which €263 billion came from customer deposits.

**€324  
billion**

*in loans to individuals  
and businesses*

5

## Committed to small and medium-sized enterprises



→ In **Belgium** we are stepping up lending to entrepreneurs by €1 billion: earlier this year,



**50,000**  
clients

received a pre-approved proposal for an instalment loan or overdraft averaging €20,000.

→ Between early 2010 and end-2012, we enabled **52 companies** across Europe to tap the bond markets for the first time. The total amount raised was

**€25  
billion**

→ Last year we unveiled various measures to help SMEs in **France**, notably €5 billion of new lending over 12 months for 40,000 business projects. The goal was reached in March 2013—three months ahead of schedule.

→ In an effort to boost the local economy, in **Luxembourg** we set aside €1 billion for loans to SMEs in 2012, up from €880 million in 2011. We are the no.1 lender to Luxembourg SMEs in terms of the number of projects financed.



- → In **Italy** we signed a funding agreement with small-business associations Confesercenti and Cosvig, which together represent 352,500 Italian SMEs employing 1 million people. BNL will provide credit facilities of up to

**€1  
billion**

to boost the growth of SMEs in retailing, tourism and the service sector.

- In **Tunisia** we started a forum for entrepreneurs, SMEs and business leaders. Dubbed

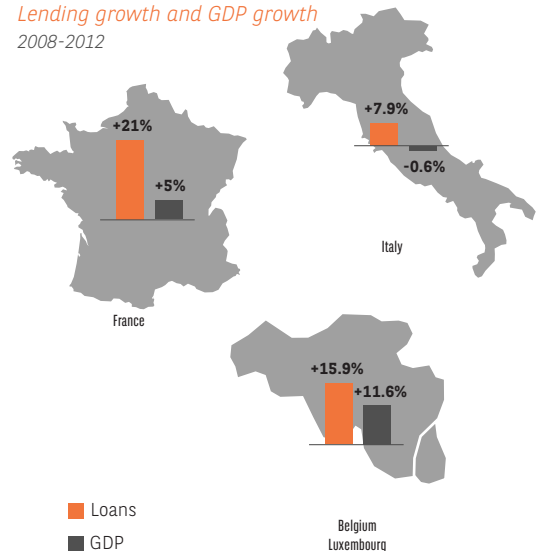
the “SME Academy”, the initiative takes the form of seminars on themes related to running a successful business. It follows on from similar “Academies” set up in **Turkey** and **Algeria**.

- In **France**, we created two investment funds solely to finance SMEs. Managed by BNP Paribas Investment Partners, the first fund raised €250 million from our insurance arm, BNP Paribas Cardif. The second raised €450 million from third-party investors and will invest amounts ranging from €10-20 million in syndicated loans to SMEs in Europe and North America.

## 6 Continuous lending throughout the crisis

- Between 2008 and 2012 the growth of our lending to individuals and businesses in our four domestic markets **significantly out-paced GDP growth**.
- In **Turkey** our lending increased by 16% in 2012. Nearly half of all assets are made up of loans to small and medium-sized enterprises.

*Lending growth and GDP growth  
2008-2012*



- In the **United States**, our retail lending to business rose nearly 15% in 2012. We remain a leading bank lender to US agriculture.

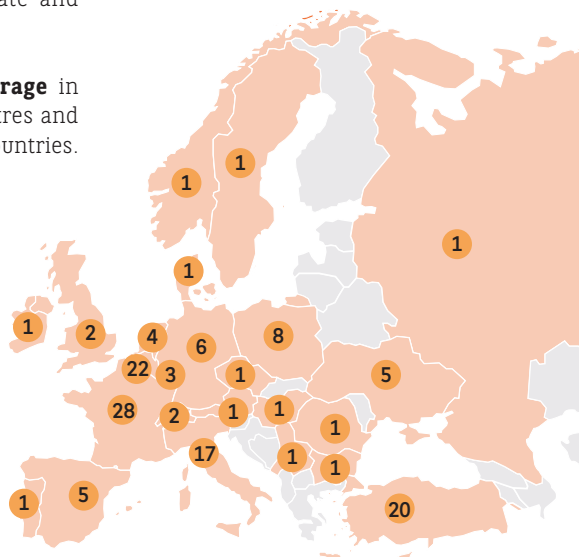
## 7

### The leading bank for corporates in Europe and beyond

- We have a **“One Bank” approach** to serving corporate clients that brings together the solutions offered by our retail banks and our investment bank. These solutions range from ‘flow’ products such as cash management and letters of credit to leasing, financing, and sophisticated commercial, corporate and investment-banking solutions.
- **Beyond Europe** we have 120 more Business Centres, and in Asia we have 170 Relationship Managers. Worldwide we have over 7,000 branches that serve not only 22 million individuals, professionals and small-business customers, but also **216,000 corporate clients**.
- We offer **unrivalled market coverage** in Europe thanks to 134 Business Centres and 1,700 Relationship Managers in 24 countries.

**134**

*Business Centres across Europe*



(Number of Business Centres per country)

## 8

### Corporate and investment banking solutions to help clients grow

- Around

**19,000**

*professionals in 45 countries*

work in our Corporate and Investment Banking (CIB) division, where we serve around 15,000 clients, mostly institutional investors and large corporates.

- We enable clients to access markets worldwide through CIB platforms within our retail networks and in **global financial centres** such as London, New York, Hong Kong, Tokyo and Singapore. In Europe, we operate out of three hubs: Paris, London and Brussels.

- Our mission is to **help clients to manage their risks and assets**, finance and expand their businesses, and service their operational needs. We do this via solutions spanning advisory, capital-markets activity, corporate banking and a wide range of flow-banking products.

- We enjoy a **leading position** in euro-denominated bond issues and helped our clients to raise

**€244 billion**

in the capital markets in 2012.





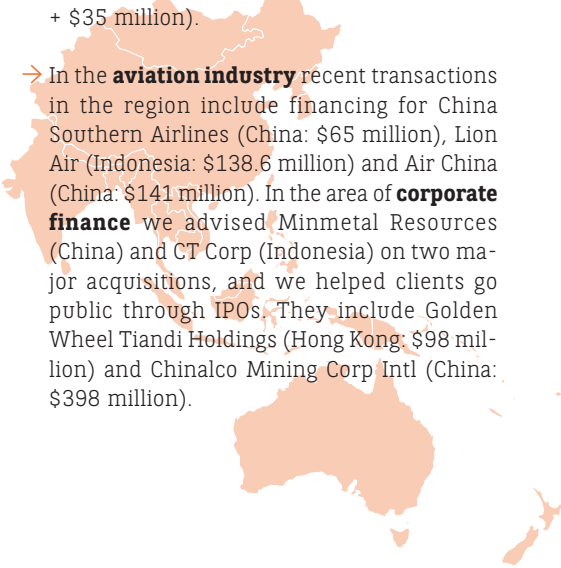
→ Despite subdued investor demand in 2012, we **helped bring ten companies to market** through Initial Public Offerings in seven countries: France, Germany, Hong Kong, India, Norway, the USA and the United Kingdom. The total capital raised was



**€4.3 billion**

→ We are investing in our **fast-growing franchise in the Asia-Pacific region**. We were bookrunner in the past year for bond issues on behalf of clients such as Commonwealth Bank (Australia: €1.5 billion) and Ton Yi Industrial Group (China: CNY 160 million + \$35 million).

→ In the **aviation industry** recent transactions in the region include financing for China Southern Airlines (China: \$65 million), Lion Air (Indonesia: \$138.6 million) and Air China (China: \$141 million). In the area of **corporate finance** we advised Minmetal Resources (China) and CT Corp (Indonesia) on two major acquisitions, and we helped clients go public through IPOs. They include Golden Wheel Tiandi Holdings (Hong Kong: \$98 million) and Chinalco Mining Corp Intl (China: \$398 million).



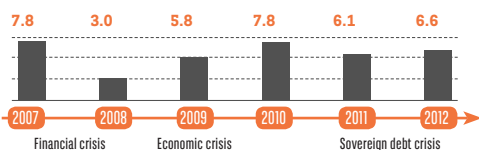
**9**

## Creating value year after year

→ We have **weathered the crisis well** compared to many of our peers and we have always remained profitable.

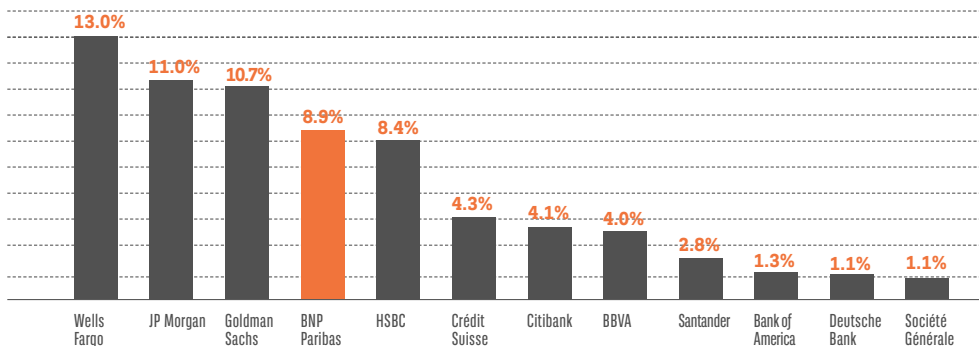
→ For over a decade we have reinvested on average around **two-thirds of our profits** back into our business.

*Net income attributable to equity holders*  
€bn



→ In 2012 our **return on equity was 8.9%**, less than half pre-crisis levels, but higher than many of our peers.

*Return on Equity in 2012*

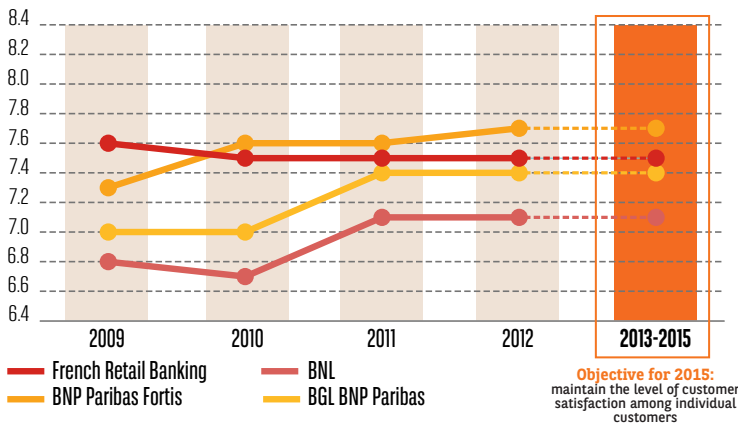


# BUSINESS ETHICS

## 10 Client interests first

→ We are determined to maintain and improve levels of **customer satisfaction** through increased dialogue with our customers, greater monitoring of systems and data, and rules governing commercial practices, especially commissions.

Trends in the satisfaction level among individual customers\*



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

→ In **Germany** we offer retail investors the choice of a fee-based advice service (*Honorarberatung*), whereby any commission received from an issuer or asset manager is passed on to customers.

→ In **France** and **Italy** our sales-commissions system is based on meeting a customer's need and not on the sale of a particular product. Commissions kick in fully only when the product is taken up and utilised.

→ In the **Netherlands** we were the first private bank to report rebates received from third parties so as to demonstrate transparent remuneration and fee structures.

## 11 Combating fraud and illicit activity

→ We reserve the right to question individuals who want to open accounts for legal entities in which they are beneficiaries. We **decline such requests** if the underlying motive and reasons are unclear, or if they do not comply with our internal policies or banking regulations.

→ In the year to August 2012, employees took part in 138,000 training events on topics covering financial embargoes and the **fight against money laundering**, terrorism and corruption.

→ We have stringent "**Know Your Customer**" policies and all staff involved in new business relationships are required to attend an annual training programme to heighten risk-awareness.

→ Worldwide we have a team of 2,000 compliance professionals.

2,000

compliance professionals



## 12 Responsible lending in consumer finance



- In **France** and **Italy** we publish indicators to raise transparency in consumer finance, including the loan-refusal rate and the percentage of incident-free repayments. Our “responsible lending” approach encompasses four commitments: combat overindebtedness, facilitate access to credit for the greatest number, provide customers with flexibility, and give guidance should they get into financial difficulty.
- In 2011 we were the first in **France** to offer personal loans to young people with short-term job contracts (and who therefore find it hard to obtain credit). We help them get set up in life, furnish an apartment or buy a car. Last year we loaned €44 million to 7,000 young French people in this category.
- We have a mechanism that detects clients at risk of financial difficulty. The aim is to anticipate these difficulties and **take preventive measures**. A dedicated team helps customers analyse their financial situation and proposes solutions, such as a temporary suspension of repayments or refinancing, all before a situation worsens.
- In **Italy** we launched an online education programme devoted to loans, budgeting and insurance called *Per-Corsi*. Over 400 individuals benefited from the online training in 2012. We also created a website in France that helps consumers manage and control their household budget.

## 13 A transparent dialogue with customers

- Our insurance business adopted the European Council’s “B1” language norm which aims to make essential information more easily understood. In the **Netherlands**, thanks to our use of short sentences and no jargon, tests show that 95% of the Dutch population understands our insurance documentation and policies.
- In **France** our *Parlons Vrai* (“Straight Talking”) dialogue with customers **addresses frank questions** such as “What are all these fees?” and “What do you do with your profits?”. The equally frank answers are given by staff in our branches, via Twitter and online at [parlonsvrai.bnpparibas.net](http://parlonsvrai.bnpparibas.net).
- In 2012 over 11,500 customers and staff attended 1,200 *Parlons Vrai* **seminars held in branches** around France. Subjects included online purchases, savings products and renting property.
- In 2013 we also launched a series of public colloquia and **think-tanks** in France which look at topics such as ethics and banking, social change and the digital revolution.
- “Straight Talking” initiatives have since been rolled out in other retail-banking markets, notably in **Belgium** (*Parlons de la vraie vie / Mee met het echte leven*), in **Italy** with *Veri, come Tuo progetti* (True, like your projects), and in **Morocco** with *La parole est à vous* (Over to you...).

Since its launch in late 2011, the site *Parlons Vrai* has received



# A RANGE OF RESPONSIBLE PRODUCTS

## 14 Responsible savings and investment solutions

- We are a signatory to the “United Nations Principles for Responsible Investment”, a set of standards that commits members to incorporate **environmental, social and governance (ESG) factors** when making investment decisions. We believe that long-term, sustainable returns for investors depend on stable and well-governed social, environmental and economic systems.
- We offer solutions in countries where the level of access to banking services is low. In West Africa, four of our BICI subsidiaries offer a *Pack Trankil* account package that comprises a current account, a card to withdraw cash and a text-based mobile service—all for the equivalent of €1.50 a month. The service is aimed at consumers on low incomes in **Senegal, Côte d’Ivoire, Mali and Burkina Faso**. In 2012 over 36,000 accounts were opened. A similar service exists in Morocco.
- We are conscious of the impact of higher prices of **agricultural commodities** on at-risk populations around the world. In July 2011 we decided not to sell derivative products to external operators whose objectives are purely financial and unrelated to a need to protect an underlying physical activity from price fluctuations.
- We have adopted a specific policy regarding investment in, and financing of, the **defence industry**. The policy includes business related to controversial weapons and to certain geographical regions (for example, areas affected by armed conflict or the violation of children’s rights). The policy also covers subjects such as corruption, small arms and intermediaries.
- We enable people with serious illnesses to take out creditor insurance, notably mortgage protection. Our policies take into account the **specific situation of each individual** in terms of his or her age, profession and state of health. This enables a more precise calculation of the person’s insurability and enables us to offer fairer, more appropriate premiums. In 2008 we began this programme by offering creditor insurance to paraplegics and to clients suffering from acute asthma. In 2012 we **extended these insurance solutions** to quadraplegics and those with coronary heart disease.
- The Sustainable Responsible Investments (SRI) we manage as fund manager nearly **doubled in two years** to reach €20 billion in 2012. Novethic certification was given to 11 SRI funds, and 3 funds received LuxFlag environmental certification for their high levels of **transparency plus commitment** to the environmental sector.
- We have a range of indices that **help investors consider ESG factors** when making investment decisions. Our “SRI Rating” application measures to what extent a fund manager incorporates ESG criteria into asset selection and assigns a rating to the fund on a sliding scale of 1-5.
- We have a range of environmental indices that help investors choose how and where they invest. Cortal Consors France’s “Green Rating” scores 475 European mutual funds according to the **amount of CO<sub>2</sub> generated** by the companies in which the funds invest. For companies in the oil, gas and auto industries, an additional filter measures the carbon emissions generated by end-products.
- Another Cortal Consors index, “Employment Rating”, scores funds according to the number of **employment opportunities** created—or lost—for each billion euros of market capitalisation.
- Four other indices that we have created encompass themes such as: waste disposal and management; renewable energy; and companies whose products and services **optimise energy consumption**. Yet another index reflects 15 large European companies designated by Vigeo and Forum Ethibel as CSR pioneers.



Pursuing a committed  
and fair human-resources policy

# OUR EMPLOYER RESPONSIBILITY

RECRUITMENT AND TRAINING  
DIVERSITY

SOLIDARITY-BASED EMPLOYMENT MANAGEMENT



Employer responsibility means treating the Group's employees in a fair and loyal manner, and engaging in serious and meaningful dialogue with staff representatives. The BNP Paribas Group recruits and trains tens of thousands of new staff each year and has made a strong, conscious decision to foster diversity in all its forms, including objectives for promoting women and giving priority to internal job mobility and training.

Extract from The BNP Paribas Charter: Our Mission, Our Responsibility.

## RECRUITMENT AND TRAINING

### 15 Innovation in recruitment



300,000



visitors 'backstage'

→ We aim to be the employer of choice for young people and use innovative methods to **reach out to potential candidates**. We are active on Facebook, Twitter, Pinterest, YouTube and other social networks so as to interact with job-seekers, especially those of the "Y" generation (and others, too...).

→ We have an online forum in France called "Backstage" where visitors ask questions and chat with volunteer staff from different business lines and human resources. "Backstage" makes recruitment **more accessible and transparent**. It has had more than 300,000 visitors in two years.

→ In **Italy** BNL's recruitment efforts include a jobs website and Facebook profile. Job openings are listed and visitors can see videos of employees. Potential job candidates can also use their own Facebook data to complete an online CV.

→ In **France** we offer a downloadable app that helps jobseekers prepare for interviews. The "Dr Job" app has



on how to present oneself, what to say, subjects to avoid and how to conduct a successful interview.

→ University students regularly give us top marks in "employer brand" polls. In **France** we are perceived as the no.1 bank (and no.6 company overall) according to Universum's survey of French undergraduates. We are ranked the no.7 company in **Belgium** (TNS survey) and in **Italy** BNL is ranked the no.1 bank and no.3 overall (Best Employer of Choice 2013).



## 16 Valuing, encouraging and investing in our people

→ In France 90% of employees take part in some form of training each year. In 2011 we provided **1.4 million hours of training** at a cost equal to 3.8% of the bank's payroll (more than double the legal minimum of 1.6%).

a budget of **3.8%**



of payroll for training  
in France

→ Skills-development programmes exist all around the world. Examples: staff in **Luxembourg** undertook 95,500 hours of training in 2012; at BNL in **Italy**, 500,000 hours (97% of employees benefited and at a cost equal to 2.9% of payroll); and in **Tunisia**, over 900 staff enjoyed 48,000 hours of training.

→ In 2013 we launched a 3-year "International Sustainability and Incentive Scheme" in which 20% of variable compensation is contingent upon achieving corporate social responsibility targets. These include the promotion of women to senior-management roles, the rate of internal transfers of staff between business lines, and the reduction in our environmental footprint. The scheme aims **to reward, retain and motivate talent**, and in 2013 applies to more than 5,000 persons in around 70 countries.

## DIVERSITY

## 17 Committed to diversity and equal opportunity

→ We are a signatory to the UN's "Women's Empowerment Principles", a 10-point set of guidelines on how to **empower women in the workplace**. In 2009 we made a commitment to having at least 20% of women in senior-management positions by the end of 2012. That target was reached and a new target of 25% has been set for 2014.

→ Encouraging diversity is an integral part of the Group's four Management Principles. In 2012 we reinforced our commitment to diversity by **setting up a Group Diversity Committee** and appointing Diversity officers to cover business lines, countries and support functions as well as to relay the Group's Diversity strategy and share best practice.

→ In **Luxembourg** we adopted a

**34**

point plan

to promote gender equality, notably with regards to decision-making in the Group and **balancing professional and private life**. The plan received a "Positive Action" certification from Luxembourg's Minister for Equal Opportunity. We are the second-largest employer in the Grand Duchy.





→ Our Diversity Council in the **United States** has employee-interest groups that work to increase employee commitment. Around 800 people are active in eight groups. In 2013 we were named a “Best Place to work for LGBT Equality” by Human Rights Campaign and received a 100% rating in its Corporate Equality Index.



*employee-interest  
groups in the US*

- At BNP Paribas SA in France, 45% of managerial (*cadre*) positions are held by women—the highest proportion among banks in France. We also received Bureau Veritas’s “Gender Equality European Standard” **certification for best practice** in our consumer-finance business in France, Italy and Spain.
- We have training initiatives to build awareness of the benefits of a diverse workforce. We offer programmes and seminars to employees in 17 countries on topics such as **combating discrimination and stereotypes**, promoting gender equality and ensuring equitable treatment for all.
- Inside the Group, employees have set up diversity networks. “MixCity”, devoted to advancing women in the Group, has 700 members in

France and nearly 900 in Belgium. New networks were created in 2012 in Luxembourg, Italy, Hong Kong, Singapore, Bahrain, London and New York. **Women’s (or gender-equality) networks now exist in 11 countries**, networks on ethnic origin in five countries, those on age diversity in three, and LGBT (Lesbian, Gay, Bisexual and Transgender) networks in London and New York.



In 2012 we held our first “Diversity Week” in various cities around the **United Kingdom**. The initiative was employee-inspired and led. It aimed to promote an inclusive working environment and some 1,500 employees took part in various events.

- Our commitment to diversity in France was endorsed by certification agency AFNOR. In 2009 we received its “Diversity Label”, which was renewed in 2012. The “Label” results from **benchmarking** in areas including policies, audits, communications, awareness and training.
- In 2012 we received “Diversity Label” accreditation from the government of Brussels-Capital. The distinction, valid for two years, rewards our **promotion of diversity** in Belgium and endorses the content of our diversity programme.



## 18 Welcoming all abilities



→ In 2012 we recruited around a hundred people with disabilities in seven countries. As at the end of the year we employed

**2,600**

*people with disabilities  
in 17 countries*



→ Last year we opened our “Office Training Incubator” in **Bahrain**. It teaches office skills to people with disabilities. Fifteen students undertake nine hours of study per week over a period of one year. The course enables individuals to undertake training and gain a career boost. The first group of students graduated in June 2013.

→ In France we created the *Handi Forma Banques* organisation with 7 other banks and industry body CFPB. The organisation provides **vocational training** in financial services to people with disabilities. Since its foundation in 2007, more than 400 people have benefited from training and skills development.

→ After the 2012 London Paralympics we invited two British paralympians to a **Q&A session with 100 employees** in the United Kingdom. The athletes described the Games, the athletes’ village, and how they dealt with people’s differing attitudes to disability.

→ We are a partner of Tadeo, a shared communications facility in France that enables the deaf and hearing-impaired to make phone calls, take part in meetings and **gain autonomy**. Tadeo’s services include instant speech-to-text transcription and visio-interpretation in sign language.

→ In 2011 our consumer-finance subsidiary in France launched a two-year programme to **promote employee awareness** of disabilities as well as to increase job opportunities for the disabled. Last year 14 people with disabilities were hired and 300 managers took part in awareness training.



# SOLIDARITY-BASED EMPLOYMENT MANAGEMENT

## 19 An employer of choice

→ We enjoy constructive, high-quality dialogue with trade unions and employee representatives in **27 countries** (7 outside Europe), covering 84% of employees. We have also signed 148 **workplace agreements** in 11 countries on topics such as compensation and benefits, diversity, employment, disability, health and safety.

→ In 2012 the Group's first Europe-wide workplace agreement on jobs-preservation was signed. The agreement applies to the



20

*countries making up the  
Group's European Works  
Council*

It sets out measures in the event of business restructuring as well as employee communications and job solutions through training and internal job mobility.

→ We prefer to fill vacant posts through internal recruitment. Our policy in this area is enshrined in ten "Principles" which aim to **ensure transparency** in the advertising of internal job

openings as well as shortlists reflecting sufficient diversity and including both men and women.

→ We have an internal job website in 30 countries and accessible to 74% of staff worldwide. In 2012 over 3,600 positions were advertised on the site and 2,230 (71%) were filled internally. More **than 13,100 job applications** were received from staff. The site, called "e-jobs", gets 60,000 hits each month.

→ We care about our employees' work-life balance and well-being. In **Luxembourg, France, Germany** and other countries, we help employees **balance work and home life** through, for example, concierge services and flexible working hours so as to save staff time and hassle.

→ In numerous locations around the world **we help with childcare**, from finding a place in a local creche to offering workplace solutions: in Italy, for example, we have an on-site nursery in our main BNL office in Rome plus a programme—Moms@Work—devoted to helping new mothers throughout (and after) pregnancy.

## 20 Pride in our work

→ Each year since 2008 we have polled our employees through a worldwide survey that has become a key **barometer of employee sentiment** and an important resource for management. Known as the "Global People Survey", it identifies the factors driving employee engagement and measures perceptions of life within the Group.

→ In the 2013 Global People Survey, around

**173,600**  
**employees** were polled in 69 countries.

→ Nearly 129,000 (74%) took the time to respond,

itself an **indicator of commitment**. The open-ended questions drew 61,500 comments.

→ Around 84% of those polled are **proud** to work for the BNP Paribas Group.

→ Survey findings reveal satisfaction regarding employee communications, executive leadership and diversity. However, more is expected in terms of **career management, raising operational efficiency and reducing bureaucracy**. People also expressed a need for more innovation and a shared corporate culture. The "Simple & Efficient" project was launched in 2012 partly to address these expectations.

Combating exclusion,  
promoting education and culture

# OUR CIVIC RESPONSIBILITY

EFFORTS TO COMBAT EXCLUSION  
AND SUPPORT SOCIAL ENTREPRENEURSHIP

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

COMPLIANCE WITH THE UN GUIDING  
PRINCIPLES ON HUMAN RIGHTS





// 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. It includes special assistance for underprivileged neighbourhoods and marginalised areas, microcredit, support for charitable organisations and social enterprises. //

Extract from The BNP Paribas Charter: Our Mission, Our Responsibility.

## EFFORTS TO COMBAT EXCLUSION AND SUPPORT SOCIAL ENTREPRENEURSHIP

### 21 Over €100 million for microfinance and social enterprise

→ We support **microfinance as a way to fight poverty** and social exclusion. In 2012 we devoted



to microfinance institutions and social-enterprise projects.

→ In **Belgium** we are a founding partner of “microStart”, a group of social entrepreneurs. Last year microStart made 275 loans, for an average amount of €5,000. Over half of beneficiaries were unemployed or living on minimum welfare benefits.

→ In **India** some 350,000 micro-entrepreneurs, mostly in rural areas, benefit from our micro-insurance solutions which enable disadvantaged people to gain protection through simple, affordable insurance cover.

→ In the **United Kingdom**, we partnered with “Fair Finance”, an East London-based organisation

that aims to bring **affordable borrowing** to disadvantaged people across the capital. In 2011, we provided 50% of a 5-year, £1 million loan.

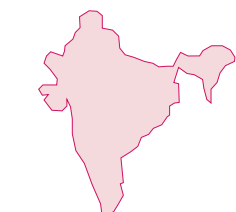
→ For 20 years we have partnered with “Adie”, France’s main microfinance organisation. Since 2006 we have provided Adie with **financial assistance of €6.5 million** (including €1.1 million last year).



of support for Adie in France

→ Last year in the **United States** we provided \$700,000 in grant support to 100 non-profit organisations which provide financing to entrepreneurs who have limited access to traditional finance.

→ In 2011 BNL took a €1.5 million, 25% share in the capital of “PerMicro”, a leading provider of finance to people with no access to credit. In 2012 we made 1,477 micro-loans: 149 to **start or expand a small business** and 1,328 related to health, education and housing.



350,000

insured through micro-insurance





- ▶▶▶ → We made our first microfinance loan in **China** in 2012. We loaned €1.8 million to Microcred Nanchong, which notably considers the environmental impact of the activities

it supports before granting loans. It has 8,000 clients mainly engaged in agriculture, tree planting and small businesses.



*microfinance clients  
in China*

- In May 2012 we granted a \$2 million loan to Finca **Russia**. The organisation's average loan of \$3,200 helped more than 10,000 clients last year. Around half of borrowers are women, and 20% are Russian-speaking resettlers from the former USSR.
- We granted a loan equivalent to \$80,000 to NCRC in **India**. We are the first institution to fund NCRC, whose loans average €42 and help more than 5,500 clients (all women). NCRC also has social workers who have helped train 2,100 women in nutrition, hygiene and health.

## 22 Empowering our customers

- We support financial literacy as **a means of personal empowerment**. Around the world in 2012 staff and other volunteers helped over 91,000 people manage their personal finances.
- In **Italy**, our "EduCare" programme at BNL has organised 3,100 seminars since 2008. Around 50,000 customers have participated.
- In 2012 in the **United States**, 450 employee volunteers at Bank of the West gave financial training to 12,000 people via community organisations such as "Operation Hope" in California, Oregon and Colorado, and programmes such as "Banking on our future" which introduce young people to basic financial concepts.
- The most recent initiative is in **Turkey**, where our "TEB Family Academy" benefited 18,000 families in 2012. Over 900 seminars were organised in branches around the country.



Financial education for



*families in Turkey*

## 23 Access for all

- We were the first bank in **Belgium** to install Automated Teller Machines (ATMs) with audio facilities to help customers who are visually impaired or who have difficulty following screen prompts. Around 850 ATMs in Belgium are currently equipped with the facility.
- ATMs in the self-service area of 75% of our 2,200 branches in France are **accessible** to persons with reduced mobility.
- In **Italy**

**777**

ATMs

(90% of the branch network) are equipped with braille and audio prompts.



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

## 24 Engaged in our local communities

- We provide meals to the hungry. In **Bulgaria** and **Korea**, volunteer employees cook free meals for the needy and in **Belgium** our “Red Cents” collection raised €83,000 in 2013 for the Belgian Foodbanks Federation. In **France** our €1 million donation to the *Restaurants du Coeur* charity enabled a million hot meals to be served in 2012.
- In **Italy** and **France** we give financial and material support to the two countries’ national Telethons which raise funds for research into neuromuscular disease. Fund-raising efforts include tennis tournaments, mini-marathons, and musical and culinary events.
- In **Italy** we have been a partner of Telethon for over 20 years. During this time BNL has collected more than €234 million. Each year, volunteers among our 20,000 employees organise over 1,000 events up and down the country.



**1 million** hot meals  
served in France



- → In **India** we support shelters for girls in the cities of Mumbai and Chennai. The shelters are an alternative residential facility for children rescued from exploitative work situations or railway platforms, bus stations and streets. The girls are provided with basic education and vocational training as well as food, clothing and healthcare. We also help NGOs educate over 750 underprivileged children in three cities.
- In **Chile** we helped with the planting of a 365m<sup>2</sup> “green” roof on a Santiago elementary school—the first in the country to benefit from such a programme. The school and pupils enjoy greater energy efficiency, better air quality and noise reduction thanks to improved acoustics.
- In **Belgium** our “Help2Help” programme has provided financial assistance of €685,000 to 212 projects since its launch in March 2010. Last year around 250 staff took part in our “Solidarity Team Building” programme in which volunteers give hands-on help to community groups by, for example, renovating and redecorating premises.
- In **Spain** we donated nearly €40,000 to 38 charities in 2012 based on employee submissions through our *Apoyamos Tus Ideas* (We support your ideas) programme. Aid recipients included charities in Spain, Latin America, Africa and the Middle East.
- In the **United Kingdom** we support educational, environmental and social-regeneration programmes in disadvantaged neighbourhoods in London. We match charitable donations made by staff and give employees time off from work so they can **volunteer their time and energy** to the community. In 2013 we also offered a unique bonus-sacrifice scheme that benefited our “Rescue and Recover” Fund and UK Charity of the Year.
- Our *Coup de Pouce* (Helping Hand) programme makes financial grants to charities in which employees are personally involved.



*“Helping Hand” programme in  
10 countries and regions*

Launched in France in 2003, Coup de Pouce marks its tenth anniversary in 2013. In the past decade we have donated over **€1 million to 500 community organisations** in France and launched similar programmes in Belgium, Spain, Italy, Luxembourg, Switzerland, Morocco, Portugal, Algeria and the Asia-Pacific region.





## 25 €39 million for corporate philanthropy

→ In 2012 we devoted nearly

**€39  
million**

to our corporate-philanthropy programme.

→ We finance an anti-malaria campaign in five sub-Saharan countries where we are present: **Burkina Faso, Côte d'Ivoire, Guinea, Mali** and **Senegal**. The €200,000 project focuses on malaria education and prevention as well as the distribution of 25,000 mosquito nets.

**€200,000**  
anti-malaria project



in 8 countries

→ In 2012 we launched "Smart Start" in eight countries in Europe. Through this initiative, more than **800 children** who are disabled or from disadvantaged backgrounds can discover and practise an art form.

→ We have a permanent relief fund called "Rescue and Recover" to collect donations from employees. **We match these donations**, which are then distributed to three charitable organisations: the Red Cross, CARE and Médecins Sans Frontières.



→ In 2012 Bank of the West's philanthropic giving in the metropolitan areas of Los Angeles, San Francisco and San Jose totalled \$2.75 million. In the **19 states** where the bank operates, Bank of the West, along with its Charitable Foundation and Team Members, invested \$7.3 million in non-profit organisations.

→ In **Belgium** we support non-profit organisations working to combat social exclusion including among disadvantaged youth and children. In 2012 the BNP Paribas Fortis Foundation donated over €914,000 to 143 charitable associations across the country.

→ Each year the BNL Foundation in **Italy** devotes €1 million to social-solidarity projects and initiatives around the country.





→ Since 2008 we have donated



to the Pasteur Institute to support its medical research in 15 countries. Programmes include a **vaccine against measles and AIDS** and research into hepatitis, malaria, dengue fever and E.Coli.

→ In **Australia** we support a research team at the Garvan Institute of Medical Research which studies the genetics of breast and prostate cancer.

→ For 15 years we have supported the world of jazz and, since 2010, we have partnered with the “North Sea Jazz Festival” in the **Netherlands** and sponsored its Paul Ackett award, given each year to a budding jazz musician.

→ We fund **art-restoration efforts** around the world. In 2012 the National Gallery of Victoria (Melbourne), the Art Gallery of Ontario (Toronto) and the Museu Nacional d'Art de Catalunya (Barcelona) exhibited three masterpieces in their collections restored with our financial support.

→ In **Italy** we help fund “Palaexpo”, the organising company behind some of Rome’s biggest cultural exhibitions. Between September 2012 and March 2013, for example, Palaexpo organised exhibitions on Vermeer, Robert Doisneau and the Silk Routes.





# COMPLIANCE WITH THE UN GUIDING PRINCIPLES ON HUMAN RIGHTS

## 26 Respect for human rights

→ Ratings agency Vigeo ranked BNP Paribas among the top 30 companies for its **respect of human rights**. This “extra-financial” rating was based on a survey which examined the human-rights behaviour of 1,500 listed companies in North America and Europe for the period 2009-2012.



→ We take action if human rights are not respected in our business undertakings. Last year we **suspended our financing** of the cotton industry in a central Asian country as forced child labour was used during the picking season. The Group had financed this activity for several years and we took the decision after a lengthy process of dialogue with local stakeholders.

→ We also expect our suppliers and contractors to respect human-rights norms. In 2012 we carried out around

**700**

*quantitative analyses*

of suppliers regarding their CSR (corporate and social responsibility) policies and performance. These included a section on meeting human-rights standards.

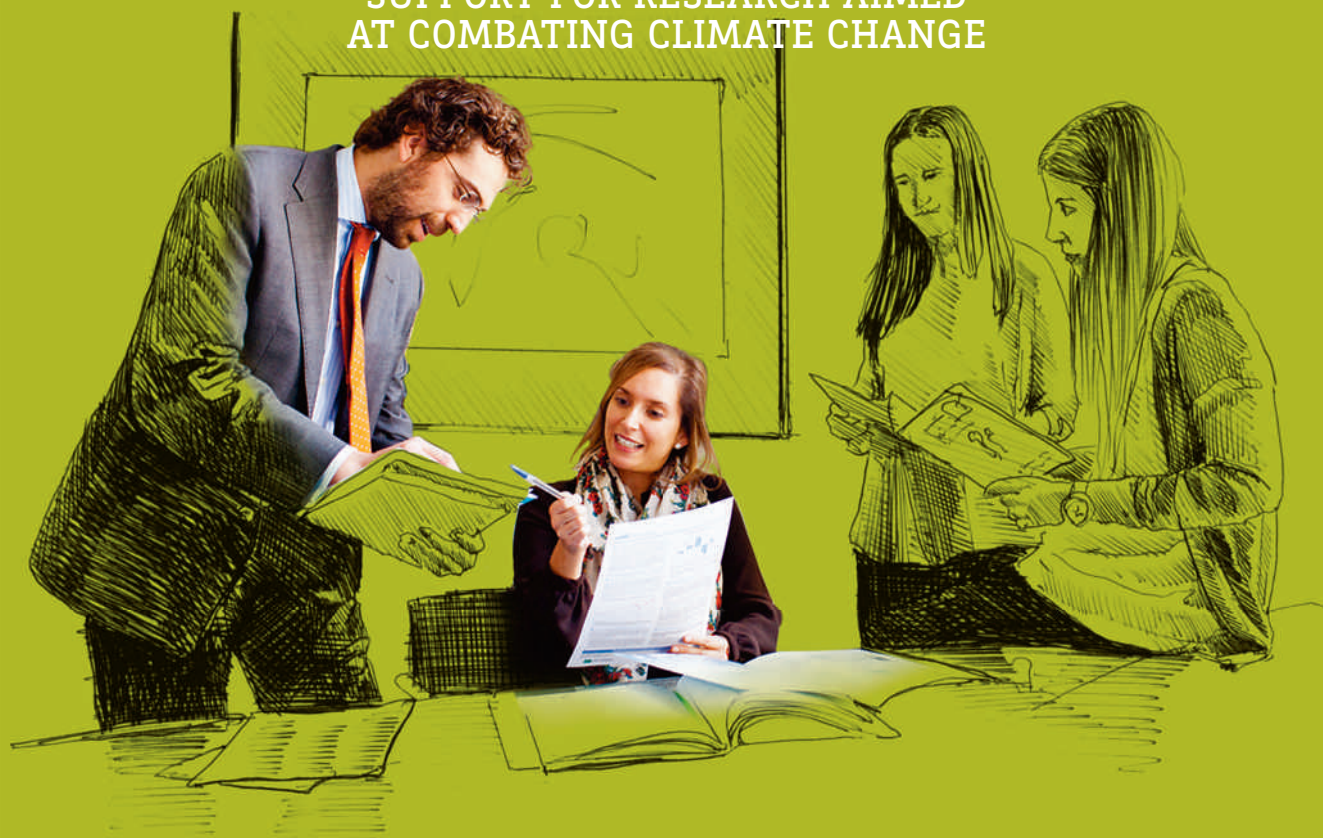
Combating climate change

# OUR ENVIRONMENTAL RESPONSIBILITY

FINANCING POLICY COMMITMENTS IN SENSITIVE SECTORS

REDUCTION IN THE ENVIRONMENTAL FOOTPRINT  
ASSOCIATED WITH OUR OWN OPERATIONS

SUPPORT FOR RESEARCH AIMED  
AT COMBATING CLIMATE CHANGE



BNP Paribas takes great care regarding the environmental impact of its activity around 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 it also supports environmental initiatives.

Extract from The BNP Paribas Charter: Our Mission, Our Responsibility.

## FINANCING POLICY COMMITMENTS IN SENSITIVE SECTORS

### 27 Vigilance in our lending and investments

- In 2008 we signed up to the “Equator Principles”, a set of standards which aims to **manage social, environmental and governance risk** in project finance. The standards are defined by the International Finance Corporation and World Bank.
- We are a member of the “Institutional Investors Group on Climate Change”, a forum for **collaboration on climate change** for European investors. We are one of over 75 members, who collectively manage more than €7.5 trillion and include some of the largest pension funds and asset managers in Europe.
- We are also a signatory to the “Climate Principles”, a framework of best-practice guidelines for the financial sector. Set up by the NGO The Climate Group, the **Principles commit signatories to consider climate change** in their roles as financial advisors, lenders, investors and insurers.







►►► → In certain sectors we have adopted policies that go **beyond legal requirements** and enable us to bring our influence to bear. For example, we will not be involved in financing or investing in the production of asbestos fibres, polychlorinated biphenyls or drift nets longer than 2.5 km. We also have put in place specific policies covering the following industries:

**Oil sands**, a source of non-conventional oil, mainly in Canada, that can have a detrimental impact on the environment.



**Mining**, whose activities can significantly impact biodiversity, the level of greenhouse-gas emissions, waste and water use.



**Palm oil and paper pulp**, two major commodities that have an impact on forests, biodiversity, local communities and climate change.



**Nuclear power**, an industry with high-stake political, environmental, non-proliferation and safety issues.



**Coal-fired power generation**, a known contributor to greenhouse-gas emissions and climate change.



## 28 Helping the transition to renewable energies

- In 2012 we provided finance or advice to clients for

**71** *renewable-energy projects*

around the world which collectively generate around 9,500 MW of electricity— equal to the **annual consumption of 10 million French households**.

- In France our *Domofinance* joint venture with energy company EDF helps households and businesses to **reduce their energy consumption**. More than 330,000 projects have been financed so far. In 2012 alone the energy saved was equal to the annual consumption of 30,000 households.

- We acted as financial advisor and mandated lead arranger to Northwind NV for its new windfarm in the North Sea. Over 70 turbines will generate 216 MW of electricity, enough to power **230,000 households in Belgium** and equal to 1% of the country's electricity consumption. The windfarm will reduce annual CO<sub>2</sub> emissions by 235,000 tonnes.

**230,000** *homes in Belgium powered by one windfarm*

- We were exclusive financial advisor to Sumitomo in its acquisition of a 25% equity stake in the Desert Sunlight project in California. The \$2.8 billion project will generate 550 MW and is **one of the largest solar farms** under construction in the United States.



- We were joint bookrunner for two windfarms in the Mexican state of Oaxaca that will generate 204 MW. The \$300 million project is **the first wind-power project in Latin America** financed by the capital markets and the first international Mexican Project Bond.
- We acted as financial advisor to NextEra Energy Resources for a windfarm in Texas. Over 400 turbines will generate 662.5 MW. The project will **reduce annual greenhouse-gas emissions by 952,000 tonnes** (the equivalent of taking 186,000 cars off the road).



# REDUCTION IN THE ENVIRONMENTAL FOOTPRINT LINKED TO OUR OWN OPERATIONS

## 29 Limiting the impact of our own operations

→ We **reduced our greenhouse-gas emissions** by 5.4% in 2012 to 3.21 tonnes of CO<sub>2</sub> equivalent per employee, down from 3.39 tonnes in 2011. We also obtained a score of 86/100 from the “Carbon Disclosure Project” for the quality of our environmental reporting (up from 79/100 in 2011).

→ Our **consumption of paper per employee fell**

by  
**5.8%** in 2012

to 179kg (from 190kg in 2011). The amount of paper consumed that was certified PEFC, FSC or more than 50% recycled increased by 11% to 43.5%.



# SUPPORT FOR RESEARCH AIMED AT COMBATING CLIMATE CHANGE

## 30 Funding environmental protection



→ In 2011 we began a project to fund scientific research into climate change. Grants total **€3 million** over a three-year period and provide support for five research programmes.

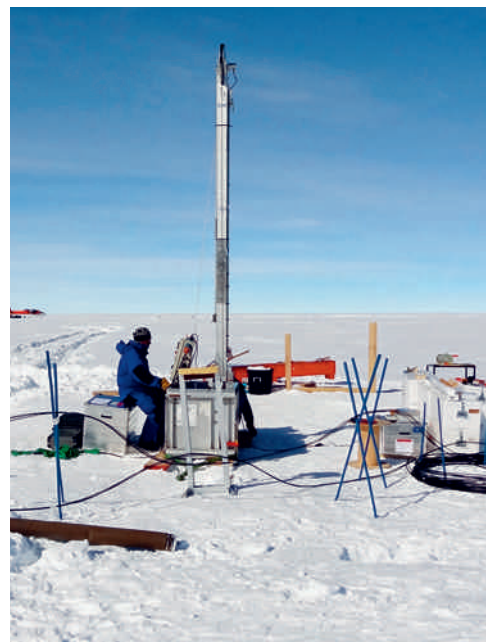
→ The **eFOCE** project looks at ocean acidification. Around 25% of CO<sub>2</sub> emissions are absorbed by the world's oceans and so affect the marine environment. This project aims to test hypotheses about ocean acidification and the associated biological impact.

→ Thanks to our support, France's national archives and meteorological office were able to restore 100 years of **climate data**. Some 6,300 boxes of archives—in poor condition and notably containing asbestos—were cleaned, decontaminated and made available to scientists. The data will help researchers to understand past trends and make future projections with greater precision.

→ In Antarctica the **Subglacior** project is helping scientists to analyse air molecules trapped in polar ice. The aim is to understand the history of the earth's atmosphere and the link between CO<sub>2</sub> and climate change.

→ The **Preclide** project aims to facilitate climate-change projections over the next 10-30 years. Researchers constructed weather-forecasting models and made retrospective forecasts for five-year periods starting from 1960. Comparing their theoretical forecasts with the real data has already confirmed the feasibility of ten-year forecasting.

→ The **Global Carbon Atlas** aims to create an interactive map pinpointing the location of CO<sub>2</sub> emissions (and absorption) as well as the directional flows of greenhouse gases around the planet.





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