



BNP PARIBAS

SUSTAINABLE DEVELOPMENT DYNAMICS

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Dear reader,

We are delighted to present you with this 8th issue of "Sustainable Development Dynamics", a periodic information tool regarding the achievements of BNP Paribas in the field of Sustainable Development/Socially Responsible Investment (SD/SRI).

Our ambition in this process is to keep you posted of all the facts and events occurring in the everyday life of our Company (whether they are related to corporate governance, sponsoring, environment, human rights, ethics and compliance...), because we think it is particularly relevant for you to be really associated with the way SD/SRI, a fast growing and evolving matter as well as a crucial one in a period of economic and financial crisis, is integrated in the way BNP Paribas is conducting its business for a value creation process in the interest of all its stakeholders.

Of course, we are interested in your opinion: please therefore tell us, simply by returning back this email, how you consider "BNP Paribas Sustainable Development Dynamics":

- is it useful for you?
- does it provide you with relevant information...
- ...news you haven't been aware of so far?
- would you like other themes to be dealt with?
- is the format convenient?
- any further suggestion or comment?

We wish you a good reading of this 8th issue of SUSTAINABLE DEVELOPMENT DYNAMICS.

PS: Should you not (or no more) be the person dealing with SRI matters within your firm, we thank you to be kind enough to pass this publication to the persons involved, as well as to keep us informed of such changes, so that the next messages could be correctly routed.

BNP PARIBAS HELPS VICTIMS OF FIRES IN GREECE

Last August, Greece was ravaged by fires that claimed over 60 victims, mainly in the Peloponnese area and on the island of Evia. In the face of this human, economic and ecological disaster, BNP Paribas Greece immediately responded. Following a call for donations, the Athens branch collected €95,000 from local and Group staff, and contributions from divisions and subsidiaries present in Greece. Some of these donations were put into a fund created by the Ministry of the Economy and Finance for the rebuilding of homes destroyed during the fires. A donation was also made to the Greek Red Cross in order to assist people who lost everything in the disaster. BNP Paribas Greece also contributed to the refurbishing of a destroyed nursery and provided assistance to 50 farmers who were victims of the fires. BNP Paribas in Greece now plans to participate, from 2008 on, in a reforestation programme, launched jointly by the Greek and French Ministries of the Environment.



PROJET BANLIEUES: TWO YEARS OF CONCRETE ACTION

The BNP Paribas Foundation recently presented a report on the first two years of operations on the Projet Banlieues. In 2006, with the support of the Foundation and the mobilisation of French Retail Banking, BNP Paribas initiated a large-scale project aimed at creating jobs and social cohesion in underprivileged neighbourhoods, and supporting the education of "at risk" children. The budget for this project is €3 million over three years. After its first two years, BNP Paribas' Projet Banlieues has created 4 micro credit branches in underprivileged urban areas, and provided support to nearly 900 "at risk" students and 83 local associations.

2007: YEAR OF RENEWABLES FOR CAPSTAR PARTNERS

Last year, Casptar Partners, a BNP Paribas subsidiary specialized in asset finance, acted as financial advisor in connection with key renewable-energy transactions (wind, solar, geothermal) in the US, bringing the total of renewable-energy projects closed by Capstar Partners in 2007 to \$3 billion in a market estimated at around \$5 billion.

Transactions included the financing of Nevada Solar One, the largest solar power plant in the US, as well as three large wind power portfolio financings on behalf of two of the largest US developers of wind energy. Capstar Partners enjoyed a unique position as financial advisor in this activity thanks to its long-standing reputation in the market and its unique structuring expertise in asset finance involving tax monetization. The US market for renewables is still young but the past two years have shown a significant activity as a result of the US federal tax credits incentive and aggressive State-level policies which impose a target mix of renewable energy sources on local utilities (Renewable Portfolio Standards).

PRESENTATION OF THE GREENING IT PROGRAM AT THE ATELIER

The Center of Innovation and Technology (CIT) of BNP Paribas launched the Greening IT program to limit IT equipment emissions of CO₂.

CIT organized a workshop with IBM in the end of 2007 dealing with the optimization of the company's IT infrastructure. CIT has realized a balance to design projects, to focus on the best way to consider environment according to the last technological headways, such as the use of alternative energies or new materials.

The workshop office of San Francisco participated in this debate and conducted a monitoring on trends and practices in the Silicon Valley, pioneer pole specialized in this industry. A communication campaign led with the Sustainable Development team will allow explaining the stakes and the innovations of the program. A green label focusing on infrastructures and answering this environmental requirement will be created thanks to the Greening IT initiative.

BNP PARIBAS INVESTMENT PARTNERS BUYS A 28.3% STAKE IN IMPAX GROUP PLC

BNP Paribas Investment Partners (IP) considers that "the environment sector constitutes one of the most promising axes of expansion", motivating its involvement in Impax, a British management company founded in 1994.

Impax Asset Management invests in the most innovative companies in the industries of energy, water and waste processing and manages or advises more than two billion dollars of assets for institutional and private investors. These markets are expanding rapidly, as business and political leaders encourage the development of cleaner products and services in response to the increasing pressures placed on the environment. BNPP IP entered the capital of Impax in May 2006 and then increased its participation to 29.4%. From now on, Impax's skills will be put forward in BNPP IP's network in certain parts of Europe, Asia-Pacific and the Middle East.

UBCI SUPPORTS SOS VILLAGES D'ENFANTS



UBCI, the BNP Paribas subsidiary in Tunisia, has decided to lend its support to *Association SOS Villages d'Enfants* by organising a "best artist competition" in the three SOS Villages of Gammarth, Siliiana and Mahrès. As part of its

corporate patronage programme, UBCI-BNP Paribas has supported the development of this association since 2006. The aim of *Association SOS Villages d'Enfants* is to enable siblings who cannot live with their parents to grow up together in a family environment.

The 44 participants in this competition, aged 6 to 12, were all rewarded by a panel of judges made up of artists, volunteers and UBCI employees. In Tunisia, *Association SOS Villages d'Enfants* shelters over 300 children. Worldwide, it helps over 60,000 children and assists nearly 900,000 people in 132 countries.

BASEL II: BNP PARIBAS GETS OFFICIAL AUTHORISATION TO USE ITS OWN INTERNAL METHODOLOGY FOR RISK EVALUATION

Last December, the *Commission Bancaire* (French Supervisory Banking Commission) authorised BNP Paribas to use its own internal methods to evaluate its risks from January 1st, 2008. These methods will contribute to calculate precisely BNP Paribas' needs concerning regulatory capital. BNP Paribas is one of the first European Banks to receive this approval, which marks the beginning of a new era in terms of Risk Management. Through Basel II, risk calculation becomes more accurate. Moreover, this approval is a significant competitive advantage, which allows the bank to exploit new opportunities in terms of internal capital allocation, dynamic portfolio management and operations pricing.

BNP PARIBAS RECEIVES 3 STARS IN "60 MILLIONS DE CONSOMMATEURS"



French consumer magazine "60 Millions de consommateurs" (60 million consumers) recently published its ranking of banks. BNP Paribas obtained 3 stars for its service quality and was ranked n°.1 among French banks for its corporate social responsibility. In this area, the magazine used six ethical criteria: human rights, human resources, corporate

governance and above all-commitment to the community, the environment and market behaviour. BNP Paribas was commended for its micro-finance activities, carried out in collaboration with the ADIE association. For consumers, it demonstrates true social commitment.

MIGRANT BANKING

BNP Paribas develops specific offers for migrant populations called migrant banking.

In California, after the success of the *Pacific Rim* offer for Asian customers, Bank of the West turns itself to the Hispanic community, identifying its needs and creating products for this high potential clientele. An advisor notices: "even if certain customers speak English, when they know that we have documentation in Spanish and that we speak Spanish, they want to discuss in their mother language". In France, at Marseille, BNP Paribas pays a particular attention to the clientele from the Maghreb. At the Canebière agency, advisors speak Arabic and meet their international clientele needs. "We have a common culture: I try to receive them as they can be received in their country of origin by creating a warm relationship, it's in our culture", underlines a customer advisor. Migrant banking is also developing in Turkey, Morocco and Tunisia.

FINANCE AND SUSTAINABILITY AWARD

On January 21st 2008, the French Social Investment Forum (SIF), of which BNP Paribas is a member, handed out awards for the third edition of the French SIF European Award for "Finance and Sustainability".

By building bridges between universities, stakeholders and the financial world, the Award aims to increase investigative research allowing for new and innovative management. The award will also give value to French and European university research, as well as help promote Socially Responsible Investment. The French SIF awards - best article, PhD thesis and Master's thesis -, of 5,000 euro each, have been granted to European students and researchers who were selected from a group of 31 candidates. The French SIF also decided to hand out and finance two research grants, worth 3,000 euro each, on the themes of "Financial instruments and sustainable development" and "Financial and Social Issues".

BANK OF THE WEST SUPPORTS OPERATION HOPE



Since 2000, Bank of the West, the Group's subsidiary in the USA, has been participating - in partnership with Operation Hope Inc - in a programme which provides the residents of disadvantaged urban neighbourhoods with easier access to financial services and promotes financial literacy in urban areas underserved by the banking community. In 2008, Bank of the West renewed its support by providing the organisation with \$750,000. Bank of the West supports several financial-literacy initiatives, such as Banking on our Future, designed for children, and the Operation Hope Centres. These centres provide financial education and assistance to adults free of charge, notably concerning business projects and home ownership. On 23 January, Don Mac Grath, Chairman of Bank of the West was appointed by George W. Bush to the recently created President's Advisory Council on Financial Literacy.

BNP PARIBAS: THE MOST ADMIRABLE FRENCH BANK IN THE WORLD

Fortune magazine recently published its ranking of the most admired companies in the world in 2007. This ranking was comprised of 345 global companies in 26 industry areas, with revenues of over \$10 billion. In the banking category, BNP Paribas was ranked 7th worldwide (8th in 2006) and consequently, it is now the most admired French bank in the world. The *Fortune* analysis covered an initial panel of the 30 leading global banks, followed by a survey on a short list of 15. This survey was carried out with professionals in the global banking sector and is based on nine criteria ranging from global competitiveness to social responsibility. Ranking 2007 Score =

1. Bank of America 7.35
2. J.P. Morgan Chase 6.79
3. Credit Suisse 6.54
4. Royal Bank of Scotland 6.12
5. HSBC Holdings 6.07
6. UBS 5.99
7. BNP Paribas 5.96
8. Citigroup 5.54

BNP PARIBAS: A WINNER IN SPORTS SPONSORSHIP

According to Sportlab, a marketing consultancy firm specialising in sport and sponsorships, BNP Paribas was the best-remembered sponsor in France in 2007. As the 35th anniversary of the partnership between BNP Paribas and the world of tennis approaches, BNP Paribas topped the list, ahead of sponsors of other major sporting events around the world such as the Tour de France, the Rugby World Cup and the French football championship. According to the survey, BNP Paribas also enjoyed one of the best ratings in the category of recall and affinity for the brand. BNP Paribas' sponsorship involves an average annual investment of 25 million euro.

BNP PARIBAS: PARTNER OF ERASMUS

From 20-23 March, the Annual General Meeting (AGM) of Erasmus was held in Besançon, with BNP Paribas as the official private-sector partner. For the first time in France, this exceptional event has brought together 500 students from 34 member countries of the Erasmus Student Network (ESN). Several high-profile guests attended, including Valérie Pécresse, France's Minister of Tertiary Education and Research, and Yves Gazzo, the European Commission Representative in France. BNP Paribas employees have participated in the AGM throughout the four days period via plenary sessions and workshops. It was an opportunity to present the global dimension of the Group's activities and recruitment efforts to students. BNP Paribas was also proposing a viewing of "Awareness", an artist's rendition of the exhibition "Six billion Others" by Yann Arthus-Bertrand.

BNP PARIBAS RANKED 6th MOST VALUABLE INTERNATIONAL BANKING BRAND BY BRAND FINANCE



Brand Finance's new ranking of international financial brands has just been published. It covers all banking businesses and types of clients, from consumers to major corporations and institutional clients.

The ranking was established at the end of December 2007 and, therefore, reflects the initial impact of the sub-prime crisis on the reputation of the respective institutions. The BNP Paribas brand is ranked 7th in the Global 500 Financial Brands Index, with an estimated value of USD 14.6 billion, or approximately 15% of the Group's total value. BNP Paribas is up one place from the previous ranking published in 2006 and its brand value has risen more than USD 2 billion (+19%) despite the difficult economic situation

BNP PARIBAS ASSURANCE TAKES ACTION IN FAVOUR OF THE ENVIRONMENT

BNP Paribas Assurance organised its first "eco-designed" event for employees, which brought together over 1,600 people at *the Louvre* in Paris. The evening's objective was to celebrate a key phase in the company's development and rally participants around the corporate social responsibility initiative at the heart of the company's management strategy. The "eco-designed" event, considered in terms of its environmental impact, was organised around three areas: responsible management of raw materials with the objective of generating almost no waste; 90% organic foods obtained through fair trade, with priority given to seasonal products, and limiting greenhouse gas emissions through a carpooling service which attracted 800 participants. BNP Paribas Assurance will also conduct a carbon assessment in its 42 locations.

LAUNCH OF "OBJECTIVE QUALITY" WEBSITE

The "Objective Quality" website presents a range of steps taken by the Group to satisfy clients and responds to rising expectations for quality service. The website is organised into three sections:

- Certifications: over 60 entities are currently ISO certified, a guarantee of security and reliability for Group clients and partners;
- Innovations: presentation of the "Spirit of Innovation" Programme and the first major event of this programme: the Innovation Awards;
- Client relations: presentation of two examples of products/services specifically aimed at customer satisfaction.



News, interviews, testimonials and information on the certified entities are all available on the new website.

CORTAL CONSORS ASSESSES ITS CARBON FOOTPRINT

Following the first carbon assessment project in 2006, Cortal Consors France has carried out its second carbon assessment in order to calculate CO₂ emissions linked to its activities.

Carbon Assessment[®] is a method of measuring greenhouse gas emissions, whether direct or induced by economical or administrative activities. Cortal Consors France carried out an evaluation of these emissions linked to its buildings, energy consumption and employee travel.

In 2007, the assessment revealed emissions of 2004 metric tonnes of CO₂ per year, i.e. 3.34 tonnes per employee. This corresponds to a 2.9% decline in emissions compared to 2006.

This fall is due to:

- less business-related travel (by plane/train) thanks to video conferences, conference calls etc...;
- increased use of public transport by employees.

Since 2006, Cortal Consors has been actively engaged in different "Useful Investment" programmes (in Cambodia, Chile and India) in order to offset its CO₂ emissions. It will continue to finance new environmental projects in 2008.

BNP PARIBAS: PARTNER OF THE "TRAIN FOR EMPLOYMENT AND EQUAL OPPORTUNITY"

From 18 March to 4 April, the "Train for Employment and Equal Opportunity" has powered its way across France. It has enabled BNP Paribas and the 9 other partners of this event to meet candidates pre-selected by state-run employment agencies, local missions and associations concerned with equal opportunity. Participating in the "Train for Employment and Equal Opportunity" fits quite naturally into BNP Paribas' overall commitment to diversity and equal opportunity. BNP Paribas was offering 1,000 open-ended contract positions and 400 internships in four major areas (sales, support functions, IT, and technical professions) to students and graduates with or without professional experience. BNP Paribas' participation in this initiative sent an attractive message of inclusiveness to applicants and to the public. BNP Paribas plans to recruit 24,000 employees worldwide, including 5,000 in France in 2008.

ART RESTORATION IN FRANKFURT

The Virgin Triptych, a 15th century Italian work of art by Macrino d'Alba, has just been restored thanks to the support of the BNP Paribas Foundation and BNP Paribas in Germany. This piece - presented in a Renaissance-style frame, which was also part of the restoration - was commissioned in 1495 by a religious congregation called the Immaculate Conception to adorn the Franciscan chapel of Alba.

This altarpiece is made of three panels representing the *Madonna Enthroned*, *St Joachim and the Angel* and the *Meeting at the Golden Gate in Jerusalem*. It reflects the story of the miraculous pregnancy of the aged couple, Joachim and Anne, the Virgin's parents.

