

SUSTAINABLE DEVELOPMENT DYNAMICS

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BNP PARIBAS | The bank for a changing world

Dear reader,

We are delighted to present you with this 14th issue of "Sustainable Development Dynamics", a periodic information tool regarding the achievements of BNP Paribas in the field of Corporate Social and Environmental Responsibility/Socially Responsible Investment (CESR/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, quality, environment, human rights, ethics and compliance, ...), because we think it is particularly relevant for you to be really aware of how CESR/SRI, a fast growing and evolving matter, is integrated in the way BNP Paribas is conducting its business in the best 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?
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We wish you a good reading of this 14th issue of SUSTAINABLE DEVELOPMENT DYNAMICS.

PS: Should you not (or no more) be the person dealing with CESR/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 COMMITS TO EQUALITY BETWEEN WOMEN AND MEN

The Group has launched numerous initiatives since 2004 to promote professional equality between women and men. These include a Diversity training programme for managers, signing a Professional Equality agreement for men and women under French labour market law, and supporting the development of MixCity.

MixCity is a network of BNP Paribas women managers and is now an association under France's Law 1901 and will henceforth be known as the Association BNP Paribas MixCity. Its ambition is to create an active social network that will add value within the company by encouraging the promotion of women to management roles.

BNP PARIBAS COMMITS TO HIRING DISABLED PEOPLE

BNP Paribas and other blue chip companies have signed a charter commitment to help promote the hiring of disabled people.

The commitment aims to promote dialogue between companies and public bodies on all aspects of recruitment policy. Via the charter, BNP Paribas is committed to continuing its efforts to hire disabled workers and ensure appropriate policies for disabled people in its human resources strategy.

BNP Paribas sets a benchmark among recruiters of disabled workers. Since 2007, the Group has organised an annual open day for disabled people, the aim being to provide information about professional opportunities in the Group and collect curricula vitae of potential recruits.

BNP PARIBAS: 25 YEARS OF PHILANTHROPY IN AID OF MEDICAL RESEARCH

Since its creation in 1984 the BNP Paribas Foundation has been supporting researchers and doctors working on both medical research and its clinical applications.

Drawing upon the expertise of bodies recognised within the scientific community, it backs the work of new teams in France and elsewhere, over multi-year time horizons. The Foundation thereby supports human endeavour, whether scientific or medical.

Since the launch of this programme, 19 research teams have been helped and almost 200 scholarships awarded.

TEB'S TALENT DAY

TEB, BNP Paribas' strategic partner in Turkey, has organised a 'Talent Day'.

Workshops were set up, notably on innovation, customer satisfaction and cross-selling, to stimulate thinking about the Group's strategic development.

The event was part of the Talent Development Programme launched by BNP Paribas. The programme is designed to identify women and men of all nationalities with high potential, and develop their leadership and cross-disciplinary skills.

ACE DAY: CONTINUOUS PERFORMANCE IMPROVEMENT

BNP Paribas has held an ACE Day in Paris (Action for Continuous Enhancement). The aim of the event was to promote the ACE continuous performance improvement programme via conferences led by Group business lines and functions. Process performance is a key part of the Group Quality Strategy and the ACE system is an excellent tool to improve it. More than 300 participants learned about projects benefiting from this method and best practices to adopt within the businesses. The Group Quality department took part in order to share the strengths of the various Quality systems used at BNP Paribas.

BNP PARIBAS SA PUBLISHES ITS DIVERSITY REPORT

In order to improve its Diversity initiatives, BNP Paribas SA has begun tracking specific indicators that make it possible to measure the results of its strategy. The report aims at measuring results of initiatives launched since 2004. It gives a breakdown (indicating strengths and weaknesses) for each of the Diversity strategy initiatives: diversity of origin; professional equality between women and men; employment and integration of disabled people; age diversity.

BNP PARIBAS AND BNL SUPPORT ANNUAL TELEVISION CHARITY FUND-RAISERS

BNP Paribas has been a partner of the Telethon annual fund-raising event since it began, both under the BNP Paribas brand in France and under the one of BNL in Italy. In France, the Group organises numerous local charitable initiatives, via its 2,400 branches, in France and French overseas counties and territories. It also supports the Tennis Telethon and a renowned race for Paris "financiers".

BNP Paribas carries this commitment beyond France. BNL, the Italian bank of the BNP Paribas Group, will celebrate 20 years of partnership as the official bank of the Italian Telethon this year. BNL collects almost half of the funds raised by Italy's Telethon, some €185m out of a €400m total. BNL is also launching new products designed to help fund medical research, including new bank cards that allow users to make donations equal to 0.5% of purchases.

BNP PARIBAS AND TNK-BP SIGN CLIMATE CHANGE AGREEMENTS



BNP Paribas and the Russian oil company TNK-BP signed two milestone agreements on climate change. The first agreement is for the purchase of carbon credits generated by the Samotlornefte gas project. The second agreement is for the development of two new CO2 emissions reduction projects, the "Vakhitovskoe Associated Gas Utilization" and the "Rodnikovskaya Power Plant Construction". This is the first Carbon Joint Implementation project in Russia, demonstrating that managing emissions can turn a liability into a tradable asset.

BNP PARIBAS JOINS THE EQUATOR PRINCIPLES STEERING COMMITTEE

Following a vote by the financial institutions that have adopted the Equator Principles (EP), which provide a framework for managing environmental and social issues in project finance, BNP Paribas has joined the EP Steering Committee. The 43 voters were unanimous in their support of BNP Paribas's candidacy. This comes just as the IFC standards on which the Equator Principles are based, are being revised. In the future, these standards will notably take into account the consequences of climate change.

RESULTS OF THE GLOBAL PEOPLE SURVEY 2009

This survey was conducted this year in 17 languages, amongst 163,000 employees in more than 75 countries, including employees of BNP Paribas Fortis. There were no less than 80 questions, the objective being to find out what staff expects from the Group and how they view the company, its managerial culture and its social and environmental responsibility. With an overall rate of participation of 51% this year, or around 83,000 respondents, a large number of staff gave their views, particularly on the open question on the avenues for change within the company. It has been stressed that the social and environmental commitment of the company, and its commitment to promoting equal opportunities, where the Bank has already made progress, must be reaffirmed and further reinforced, as the survey shows that this commitment of the company is one of the key levers for engaging the staff.

BNP PARIBAS JOINS AFEV IN COMBATING SCHOOL FAILURE

To mark the Day of Rejection of School Failure, BNP Paribas has donated 150 computers to Afev, to charitable associations and to families with children in the Afev programme. This Day marks a concrete commitment to reduce school failure rates in France, where each year 150,000 youngsters leave school without a qualification. BNP Paribas presented the *Donate 150 Computers* initiative together with Afev and the *Ateliers du Bocage*, the Emmaus Community's support programme for those experiencing difficulty in finding employment. Since 1991, Afev, a partner of BNP Paribas for some 15 years, has been offering students the opportunity to provide individual support for youngsters from working-class neighbourhoods.

ECO FOLIO LAUNCHES THE 'PAPER RECYCLING...GETTING INTO THE HABIT' CAMPAIGN

For the first time in 15 years, a communication campaign on paper recycling has been launched in France under the aegis of Eco Folio. This eco-organisation, of which BNP Paribas is a founding member and administrator, was established in 2007 with the government-approved purpose of ensuring the effective management of paper recycling. Following a survey conducted on paper sorting and recycling, Eco Folio has instituted a national awareness campaign on recycling together with various local authorities. The economic and environmental harmonisation of directives related to paper sorting is one of the key objectives of the Grenelle Environment Round Table. The new provisions will help to encourage companies to fulfil their corporate citizenship responsibilities and improve their performance with regard to the collection and recycling of paper.

BNP PARIBAS IS AWARDED THE NOVETHIC LABEL FOR THREE SRI FUNDS

Novethic, a centre for research on socially responsible investment, is launching a label to improve the transparency of SRI funds and expand the market share of private individuals, which is still virtually non-existent. The label will be awarded each year based on four criteria: consideration given to environmental, social and governance (ESG) issues, transparency of the SRI process, extra-financial reporting including ESG elements, and publication of the composition of the portfolio. The label was awarded to 92 of the 121 applicants. Four of them were given the additional ESG Indicators distinction, which is awarded to companies that use environmental or social indicators in their communication. BNP Paribas was given the Novethic label for three SRI funds: *BNP Paribas Etheis*, *BNP Paribas Obli Etheis* and *Parvest Europe Sustainable Development*. The *BNP Paribas Etheis* and *Parvest Europe Sustainable Development* funds were also awarded the special *ESG Indicators* distinction.

BNL OPENS THE FIRST 'SOLAR' BRANCH IN ITALY

BNL, the Italian bank of the BNP Paribas Group, has opened its first innovative solar-powered branch in Italy. The branch, in the town of Alessandria, is equipped with photovoltaic panels producing clean energy. The panels provide enough power to meet all the needs of the branch. Respect for the environment is a major pillar of the Group's social and environmental responsibility policy.



BNP PARIBAS COMMITS TO HELPING SMALL AND MEDIUM FIRMS IN GUINEA

BICIGUI, the BNP Paribas Group bank in Guinea, West Africa, has signed an ARIZ (insurance for private financing and investment risk) portfolio guarantee agreement with the French Development Agency. The agreement, which allows risk to be shared 50/50 with the Development Agency, is intended to support development of investment loans to the professionals and to small and medium-size firms in Guinea. This initiative is part of the BNP Paribas Group's commitment to aid the development of small and medium firms.

BNP PARIBAS PARTNERS WITH THE LARGEST WIND FARM IN SUB-SAHARAN AFRICA

BNP Paribas has signed an 11.5-year loan for 130 million euros, guaranteed by Coface, and a related 5-year credit line to finance a wind farm in Ashegegoda, Ethiopia for the Ethiopian Electric Power Corporation -EEPCo. This project, which will create the largest wind farm in sub-Saharan Africa, is part of Ethiopia's energy policy to meet the strong growth of domestic demand and, in the long term, to become an exporter of electricity to neighbouring countries.

UKRSIBBANK HELPS ORPHANAGES

UkrSibbank, the subsidiary of the BNP Paribas Group in Ukraine, is backing a project to refurbish the outdoor play areas of several orphanages. The project, run jointly with the LikarIn fund charitable foundation, will collect funds to install or modernise the playground equipment of nine orphanages. Volunteers from the LikarIn fund foundation have been providing social and medical assistance to vulnerable children in Ukraine since 2002. UkrSibbank was the first company to join the initiative. This spring, more than 600 children will thus be able to enjoy the new play grounds.



CETELEM SETS UP A MEDIATION SERVICE

As part of its customer satisfaction programme, Cetelem has set up a business mediation service in France. The arrangement is the first of this type established by a consumer credit business.

The mediation service has two goals:

- to set new standards in client relationship management, by offering the chance to appeal to an independent third-party for arbitration of a dispute about an unresolved complaint;
- to identify and initiate improvements needed to reduce the number of legal claims.

The first Cetelem mediator is Marie-Pierre de la Gontrie who is widely renowned for her independence and her commitment to tackling everyday issues. She will hold the position of Cetelem Mediator for two years, as an external consultant to the business. The initiative follows the launch of a similar mediation mechanism for customers of French Retail Banking.

BNP PARIBAS WORLD'S 6TH MOST VALUABLE BANKING BRAND



The British consultancy Brand Finance has published its latest ranking of world financial brands.

The report covers all banking businesses and types of customers, from retail consumers to large corporations and institutional clients. The ranking was performed at the end of December 2009. The BNP Paribas brand ranks number six in the global banking sector (eighth last year), with an estimated value of 14 billion dollars. BNP Paribas is the number three brand in Europe, and is number one in France, ahead of Société Générale and Crédit Agricole.

JOB CARE: A SERVICE FOR THE UNEMPLOYED

Since 2007, Cardif (an insurance company within the BNP Paribas group) in the Czech Republic, has been a supporter of Job Care, a program that helps customers who have recently lost their jobs. The process of helping these clients is broken down into three stages. The first is a telephone conversation between the client and the Cardif call centre for an update on job-hunting techniques. The second is to attend a seminar hosted by the programme's partner, Human Resources agency Manpower, so that participants can discuss their situations with specialists. The third is a personalized customer support through the regional Manpower offices, which includes sending resumes and arranging interviews.

DEVELOPING SKILLS IN DEVELOPING COUNTRIES: SME LINK TRAINING

SMElink, the new program of technical assistance and business management training from PlaNet Finance, has helped a number of entrepreneurs to develop their skills and expand their activities. The association, which is backed by BNP Paribas, has generated tangible results. In Nepal, Sarita Tuladhar, who has created Swoniga Design, a company that specialises in the manufacture of Pashmina garments, expanded her business internationally after receiving training and has recruited 35 staff members. Bijave Pradhan, who received the same training, manages a network of agencies promoting ecotourism in Nepal. He sells products and services to businesses, reaches international markets, minimises environmental impact and meets certain quality standards.

BNP PARIBAS ORGANISES ITS 2ND ANNUAL WOMEN AND LEADERSHIP CONFERENCE

BNP Paribas has just hosted its second annual regional Women and Leadership conference in Bahrain. The aim was to strengthen women's representation in key posts in the Gulf countries. The event, organised in collaboration with the United Nations, brought together many influential men and women, including political and business leaders and Bahrain's Minister of Labour. This initiative is part of BNP Paribas' commitment to diversity and corporate social responsibility.

HAITI EARTHQUAKE, BNP PARIBAS SUPPORTS THE RELIEF EFFORT

A powerful 7-magnitude earthquake shook Haiti on Tuesday 12 January, 2010. In the wake of this humanitarian catastrophe, BNP Paribas has decided to support the relief effort. BNP Paribas is donating one million euros to the Fondation de France and is putting in place a system to match donations received by employees. Certain countries or business lines have close links with NGOs and have already also put in place schemes with them to match their employees' donations.

FRENCH RETAIL BANKING LAUNCHES ITS SUSTAINABLE DEVELOPMENT SPACE

With the slogan *Agir dans son environnement c'est agir pour l'environnement* (Acting within our environment means acting for the environment), FRB (French Retail Banking) launches its Sustainable Development Space, where it presents its key actions in support of the environment, as well as the community initiatives taken by companies in the FRB network. FRB's environmental plan covers four topics: paper consumption; the ecological branch model Accueil & Services (Welcome & Services); Green IT; and the Eco-Responsible Club, whose purpose is to facilitate the exchange of sustainable development best practices between BNP Paribas and its suppliers. The Sustainable Development Space also presents the community actions carried out by FRB, and provides links to other BNP Paribas websites related to sustainable development, such as the blog *Pour un Monde qui change* (For a Changing World), the *En Région* (In the Regions) website, the site of *Projet Banlieues* (the Suburbs Project, the BNP Paribas community programme for under-privileged urban neighbourhoods) and *Simplidons*.

'USEFUL INVESTING' FOR RESPONSIBLE AND USEFUL INVESTMENTS

During the Copenhagen summit Cortal Consors, European leader in online savings and broking, B*capital, an investment business specialised in equity advice, and the business line BNP Paribas Personal Investors in Luxembourg, were taking part in a campaign called *Investir Utile* (Useful Investing). In France, customers could invest in a range of funds (via www.cortalconsors.fr), or in a range of shares (via www.b-capital.com). Revenues generated from these transactions were increased and donated to the association GoodPlanet to help the battle against global warming. In Luxembourg, BNP Paribas Personal Investors was offering Green World 95% Protected, a certificate issued by BNP Paribas which enables holders to invest in companies taking ecological action. One per cent of the funds collected were donated to GoodPlanet.

27 NEW SOLIDARITY INITIATIVES SUPPORTED BY THE BNP PARIBAS FOUNDATION

The Helping Hand committee of the BNP Paribas Foundation opted to support 27 new community projects in which group employees are involved as volunteers. A total of EUR 73,500 will be allocated to causes that enhance international solidarity and which are relevant both in France and abroad. Grants will be allocated to a variety of projects that reflect the commitments of employees. Education, international cooperation, health, disability and the fight against exclusion are major issues supported by the Foundation. In this last session of Helping Hand 2009, the dominant themes were citizenship and employment, reflecting current social issues.

SUCCESS OF THE BNP PARIBAS FORTIS SUSTAINABLE DEVELOPMENT CAMPAIGN

In support of the sustainable development week launched in October by Belsif, the Belgian forum for socially responsible investment, BNP Paribas Fortis launched a campaign promoting this type of investment. For each sustainable investment in excess of EUR 1,000 made between October 15 and November 14, 2009, BNP Paribas Fortis pledged to invest EUR 10 in sustainable projects. BNP Paribas Fortis selected the projects on the basis of a survey of its customers' preferences. Four areas were highlighted by customers, and four NGOs have been selected: the Red Cross for volunteer work; Max Havelaar for fair trade; Natagora – Natuurpunt for environmental protection; and Plan Belgique for economic development. Thanks to the success of this campaign, BNP Paribas Fortis will be investing EUR 120,000, to be shared among the four NGOs. During the campaign, more than 10,000 BNP Paribas Fortis customers subscribed to a broad range of SRI products.

BNP PARIBAS REAL ESTATE LAUNCHES ONE OF THE FIRST ECO-NEIGHBOURHOODS IN PARIS: THE CLAUDE BERNARD ZAC (URBAN DEVELOPMENT ZONE)

BNP Paribas Real Estate has announced the launch of a 76,000 m² development of offices and homes in the Claude Bernard ZAC (Urban Development Zone). The project was jointly conceived between the public and private sectors. The offices have been certified as High Environmental Quality (HQE), the French "green building" standard, and conform to Very High Energy Performance (THPE) standards. The residential segment will be the first residential development in Paris aimed at independent purchasers to meet the Low Energy Consumption (BBC) standard, with the use of geothermal energy and solar panels. The use of cars will be limited through parking restrictions, and the development will have excellent public transport services.

BNP PARIBAS PARTICIPATES IN THE EQUAL OPPORTUNITIES PROGRAM OF TOP POLITICAL STUDIES INSTITUTES (IEP)

As part of its diversity policy and the fight against discrimination, BNP Paribas, represented by French Retail Banking (FRB), is participating in the Equal Opportunities program of six Political Studies institutes: Aix-en-Provence, Lille, Lyon, Rennes, Strasbourg and Toulouse. Through this partnership, BNP Paribas will participate in the regional developments of the program and will make practical contributions towards achieving the objectives of the IEPEI, the integrated course of study of the Institutes. This program was initiated in 2008 with the aim of enhancing the social openness of these top schools and promoting an active policy of democratisation in favour of disadvantaged students.

SIMPLIDONS: BNP PARIBAS DOUBLES ITS CLIENTS' CHARITABLE DONATIONS

BNP Paribas is offering a new, innovative product to its customers as well as enhancing its social commitment with a new proposal: Simplidons, a free service for making donations to charitable associations and foundations. The service enables customers to make a monthly donation of the cents on the balance of their account, or a larger amount, to humanitarian organizations or to partner foundations of BNP Paribas. In December 2009, BNP Paribas opted to support its customers' efforts by pledging to double the amount of donations this month for all new subscribers to the program. Customers enjoy the flexibility of selecting the charitable association or foundation, the amount, the minimum account balance threshold and the day of the month on which the donation will be made, and will receive an end-of-year statement of all donations made to the association, together with a receipt valid for tax purposes. Customers may support multiple associations and may donate between EUR 1 and EUR 50 per month per association.

ARVAL SUPPORTS BNP PARIBAS' INITIATIVE IN SPAIN: APOYAMOS TUS IDEAS

This year, Arval Spain is participating in the BNP Paribas Spain Apoyamos tus ideas (We support your ideas) initiative. The purpose of the initiative is to contribute to financing three projects submitted by NGOs to which employees are personally committed. After reviewing the projects, the selected NGOs are: Fundacion Asis, which is fighting against malnutrition in the Sensata region of Bolivia through an agricultural production project; Accion Catolica General de Madrid, which is working in Ethiopia and Romania to create a workshop for victims of brain injuries; and the Fundacion Abracadabra Magos Solidarios, which uses magic shows to provide moral and psychological support to people who have been separated from their families.

BNP PARIBAS FULFILS ITS COMMITMENT TO HELP FINANCE VERY SMALL FIRMS

Fulfilling the spirit of commitments by the French Banking Federation, BNP Paribas has set aside €150m to provide new liquidity loans of up to €25,000 each to very small firms. BNP Paribas is also committing itself to taking rapid decisions about making credit available. Very small firms who are clients will be told within eight working days if they qualify, subject to providing satisfactory documentation. This new commitment is the latest of a series made in recent months to underpin the economy. In September 2009, to meet the needs of small and medium firms, trade-people and retailers, BNP Paribas launched an unprecedented 15-month initiative to develop investment credit.

In France, BNP Paribas has committed to supporting 40,000 projects with a total value of €5bn. In addition, BNP Paribas is playing an active part in a strategic plan to bolster small and medium firms in collaboration with French state innovation and development bank OSEO. And in Belgium, BNP Paribas Fortis has launched its campaign 'A billion euros for the self-employed, free-lancers, and companies!'