

# SUSTAINABLE DEVELOPMENT DYNAMICS

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

Dear reader,

**W**e are delighted to present you with this issue of "Sustainable Development Dynamics", a periodic information tool regarding the achievements of BNP Paribas in the field of Sustainable Development/Socially Responsible Investment.

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 sponsoring, environment, human resources, compliance,...), because we think it is particularly relevant for you to be really associated with the way SD/SRI, a fast growing as well as evolving matter, is integrated in the way BNP Paribas is conducting its business for a value creation process in the interest of all its stakeholders.

We wish you a good reading of this 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.

## CIB COMMITS TO GREEN IT

BNP Paribas is continuing its commitment to green IT. The Corporate and Investment Banking Division (CIB) has just adopted supercomputers that use less energy. These supercomputers will make it possible to reduce electricity consumption while still increasing the speed of calculations. This move will enable a 100-fold increase in calculating power per watt consumed. The graphical processor platform will carry out some of the processing for the Global Equities & Commodity Derivatives business line. The software architecture has also been redesigned to make it easier for users to read market prices whilst reducing operating costs.

## CARDIF LAUNCHES A PARTNERSHIP WITH YOUNBIKE IN TAIPEI



The city of Taipei in Taiwan has inaugurated its YouBike public bicycle system, joining other world capitals like Paris or Barcelona that encourage environmentally-friendly transport; initially available in the city center, YouBike bicycles are rented using electronic cards for short trips in the capital. Cardif, the life insurance unit of BNP Paribas Assurance, is a partner of the YouBike program through a two-year sponsoring agreement. This partnership is a logical development of BNP Paribas Assurance's environmental strategy. The policy has already led to worldwide carbon emissions monitoring across its businesses, and a decision to cut CO<sub>2</sub> emissions by 10% by 2010, and complements a car pooling scheme for staff commuting to work, which was launched in September 2007. This service is now available to all staff of BNP Paribas and its subsidiaries in France.

## A ZONE WITHOUT BORDERS AT FRENCH RETAIL BANKING BUSINESS

As part of the "Accueil & Services" (Welcome & Services) project, a new "zone without borders" is now available to "international" customers at a Paris branch.

The purpose and ambition of this new space is to enhance customer satisfaction by serving the particular needs of expatriates, those returning from overseas and people who keep strong links with their country of birth, by providing easily accessible, instructive and practical information. French Retail Banking estimates there are almost 800,000 customers in this market segment.

To implement their plans, customers can get detailed information about BNP Paribas and its foreign subsidiaries, using country fact sheets and an Internet terminal with a touch screen which allows them to locate and print out relevant information.

If the experiment is a success, some 30 branches could be fitted out with this "zone without borders" by 2010.

## BNP PARIBAS GREECE TAKES ACTION

Staff of BNP Paribas Greece and their families gathered at the historic town of Marathon, 45 km away from Athens, to carry out their reforestation project. More than 300 trees were planted in the heart of a national park to create a square for children and the local community. The square was named "Revival Square", a name chosen from suggestions put forward in an earlier competition between the volunteers. Each year, BNP Paribas Greece develops a project in accordance with the social and environmental policy of the Group. This offers a chance for staff to show their commitment to building for the future and reinforcing team spirit.

## RUE BERGÈRE – AN EXCEPTIONAL RENOVATION PROJECT

BNP Paribas Real Estate is currently modernising the office building on rue Bergère in the 9<sup>th</sup> district of Paris. The building will provide office accommodation for the employees of BNP Paribas Investment Partners. Refurbishing a building listed on the Inventory of Historic Monuments according to High Environmental Quality standards is a further evidence of BNP Paribas Real Estate's expertise.

## BNP PARIBAS SPONSORS GOODPLANET INFO



After sponsoring the "6 billion Others" project of campaigning photographer Yann Arthus-Bertrand, the Group is continuing its sponsorship by supporting the website of GoodPlanet Info, a not-for-profit organisation founded by Yann Arthus-Bertrand in 2005.

Easily accessible in French and in English, the site aims to raise public awareness on environmental and social issues around the world. Run in collaboration with numerous partners, including French State research body CNRS, Agence France Presse, New Scientist and Green TV, GoodPlanet.info also seeks to encourage economic and political players to engage in sustainable development.

It carries news and scientific information on Genetically Modified Organisms (GMOs), renewable energy, biodiversity and climate change, as well as on humanitarian crises, natural disasters and technology. These issues, and the international debates they create, are available to everybody in easily-accessible form, put into context by concrete examples of good practice, and analysis and commentary from renowned experts.

The French Minister of Immigration and Integration has awarded the Diversity Label, first to BNP Paribas as well as to six other companies, then to 5 new ones in a 2<sup>nd</sup> row. The Diversity Label seeks to *promote diversity and prevent discrimination* in the context of *human resource management*. BNP Paribas' commitment to diversity is directed along four main lines: background diversity, gender equality in the workplace, the employment and integration of people with disabilities and age diversity. BNP Paribas is the only bank to have received the Diversity Label.

## FINANCITÉS: BNP PARIBAS COMBINES MICROFINANCE AND VOLUNTARY WORK

BNP Paribas subscribed up to 1 million euros in the capital of Financités, a philanthropic venture capital company. Created in 2007 by PlaNet Finance, a micro-finance NGO, Financités aims to support socially responsible investing by financing very small enterprises in sensitive urban neighborhoods and by coaching their entrepreneurs. Already 21 very small enterprises have benefited from financing by Financités for a total of 1 million euros. For 2009, its objective is to help 40 very small enterprises in France. For its part, the Steering Committee for Developing Voluntary Work, under the aegis of Group Microfinance and ADR - BNP Paribas' association of retired workers -, has forged a skilled voluntary work partnership with Financités in order to coach micro-entrepreneurs.

## BNP PARIBAS SUPPORTS THE EGYPTIAN FOOD BANK

BNP Paribas Egypt has signed an agreement with the Egyptian Food Bank (EFB), a local not-for-profit organisation whose aim is to fight hunger in Egypt by guaranteeing daily meals, and also helping people improve, through training and special projects, their income standards. As part of the partnership, BNP Paribas Egypt has committed to cover the cost of the food supply to a village in Aswan for an entire year. It has opened a bank account for the EFB in one of the Cairo branches to facilitate the donations process for clients as well as for staff. Furthermore, BNP Paribas Egypt sponsored the successful EFB advertising and awareness campaign. The partnership offers proof of the Group's commitment to corporate social responsibility in Egypt.

## PAID PATERNITY LEAVE

As part of its diversity policy, BNP Paribas SA now tops up the statutory allowances paid to fathers wishing to take paternity leave and ensures that net remuneration continues to be paid during paternity leave. This measure forms part of BNP Paribas' commitment to diversity and, more especially, to ensuring professional equality between men and women. On 20 November 2008 BNP Paribas signed the Parenthood Charter, which was launched in the spring under the patronage of the Ministry of Labour and aims to encourage parenthood in companies, by helping fathers and mothers to achieve a healthy work-life balance. BNP Paribas, so far the only bank to have signed this charter, has thus demonstrated its intention to maintain its long-term commitment to the support of parenthood in companies.

## BNP PARIBAS NAMED FINANCIAL ADVISOR IN THE MASDARGREEN CITY PROJECT

BNP Paribas has been appointed financial advisor to the Abu Dhabi Future Energy Company (ADFEC) in the MasdarCity project. The role of BNP Paribas is to give advice on financing for the first phase of the project, which will include a university specialising in sustainable development technologies, plus the city's first residential developments and associated infrastructure. BNP Paribas Abu Dhabi will also participate in financing the construction of two electrical sub-stations in the heart of MasdarCity. For Abu Dhabi, which aims to become a new centre in 'green' technologies, the \$20bn MasdarCity project is a major component of its vast energy strategy. The aim is to build a town of 40,000 inhabitants entirely powered by renewable energies, with the goal of achieving zero carbon emissions, zero waste and no cars. As a sort of "Silicon Valley" of alternative energy, the project will combine a traditional Arabian urban structure and cutting-edge technologies, to ensure a high-quality lifestyle.

## BNP PARIBAS PARTNERS MILLION TREES NYC FOR THE 2<sup>ND</sup> YEAR IN A ROW

Million trees NYC is a citywide, public-private initiative between the New York City Department of Parks & Recreation and the New York Restoration Project with an ambitious goal to plant and care for one million new trees across New York City's five boroughs over the next nine years. The Million trees NYC initiative will increase New York's urban forest, its most valuable environmental asset, by an astounding 20 per-cent, while achieving the many quality-of-life benefits that come along with planting trees.

## BNP PARIBAS, PARTNER OF THE 3D CHALLENGE

BNP Paribas is partnering France's *Challenge 3D* (sustainable development marketing challenge) for the third consecutive year. Created by Aquitaine Marketing Service, the Junior Enterprise arm of the Bordeaux Management School, the *Challenge 3D* requires students to create and/or market an ecologically-responsible business. BNP Paribas has been a sponsor of France's National Junior Enterprise Confederation for four years. In addition to this partnership, French retail banking and BNP Paribas are heavily involved in student initiatives, sponsoring more than 1,000 student associations.

## DISABILITY AWARENESS WORKSHOPS

As part of the diversity initiative, Project Handicap is holding mobile awareness workshops on visual and auditory disabilities. These workshops are designed to raise awareness and to introduce some of the adaptive technologies that help the company to integrate employees with different needs. These workshops will take place at numerous Group offices in order to reach out directly to employees in the workplace. For instance, Tadeo, a company that has created a translation platform for communication with the hearing impaired in a professional environment, was created by the bank together with nine other companies. It is offering an initiation workshop in French Sign Language for people with auditory disabilities. For visual disabilities, the Paul Guinot Association, which facilitates the cultural, professional and social integration of blind and partially-sighted people, will provide an introduction to visual disabilities and to the related software programs and adaptive technologies, and will offer a program called "Exploring the 5 Senses."

## BNP PARIBAS FACTOR IS AWARDED ISO 14001 CERTIFICATION

BNP Paribas Factor, a subsidiary of the BNP Paribas Group specialising in the management of customer receivables, is the first French factoring company to have been awarded ISO 14001 certification for its activities and its three sites. This certification demonstrates BNP Paribas Factor's commitment to control the effects of its activities on the environment and is recognition of the company's efforts to lessen its environmental impact by reducing the consumption of paper and its use of consumables, reducing CO<sub>2</sub> emissions by adopting a specially developed transport and communications policy, and through waste recovery and recycling. This compliance with environmental regulations is also made evident by its efforts to inform and train its employees and create awareness amongst them.

## BNP PARIBAS' ETHICAL RATING SEES MAJOR RISE IN PERFORMANCE IN THE FIRST QUARTER OF 2009

Covalence, a Geneva-based company specialising in sustainable development, has measured a strong progress in BNP Paribas' Ethical Rating in the first quarter of 2009 and has increased its ranking from tenth to sixth place. This ranking is based on data drawn from various sources such as the internet and the press, predominantly from the Anglo-Saxon media, in relation to social and environmental responsibility and with regard to the management of the company and its reputation in the eyes of its customers and suppliers. BNP Paribas' considerable progress in the rankings can be explained by the Diversity Label it was awarded in January and its efforts to promote green computing. Its car pooling initiative also continues to add points in its favour. In the current context of financial crisis and distrust of the financial world, BNP Paribas has become the best ranked financial institution headquartered outside the United Kingdom and North-America.

## TEB COMMITS TO ENVIRONMENTAL RESPONSIBILITY

Türk Ekonomi Bankasi Group (TEB), a subsidiary of BNP Paribas in Turkey with around 6,500 employees, seeks to become the first "green" bank in Turkey. Consequently, it has implemented strategies promoting the use of renewable energy, carbon offsetting and a range of environmentally-friendly products and services. TEB has measured its carbon footprint, which amounts to around 48,000 tonnes of CO<sub>2</sub>, or some 7.38 tonnes on average per employee. TEB also offers loans for the purchase of hybrid or low-emission cars. The most original measure it has taken is undoubtedly the introduction of the TEB TEMA bonus card, in partnership with the Turkish TEMA Foundation, an organization set up to combat soil erosion and pollution. Furthermore, TEB is committed to building environmental awareness among its employees and aims to have reduced the energy consumption of each of them by 20% in 2010.

## KLÉPIERRE: LAUNCH OF E-LEARNING MODULE ON SUSTAINABLE DEVELOPMENT

Klépierre (a real estate promoter within the BNP Paribas group) develops its European employees' awareness on its commitment to sustainable development with an e-learning program. This program is designed to raise awareness of sustainable development in Klépierre's various business areas, so that everyone is a daily ambassador of its commitment. The e-learning modules provide elements of general interest, in addition to suggestions for everyday improvements on both a personal and professional level. Self teaching is favoured by means of quizzes, computer graphics and expert contributions. This is the first such program Klépierre has prepared, to instruct over a thousand people in 8 languages simultaneously.

## BNP PARIBAS SWITZERLAND SA TITLE SPONSOR OF THE BNP PARIBAS ZURICH OPEN

BNP Paribas has signed a three year deal to become the title sponsor of the BNP Paribas Zurich Open. This new tournament will bring together former tennis champions and young aspirants seeking to join the professional circuit.

The first *BNP Paribas Zurich Open*, where champions meet talents will bring together, on the one hand, leading tennis figures who have been number one worldwide, have won a Grand Slam or the Davis Cup, and on the other hand, the eight leading young players of the International Tennis Federation Junior Team, known as the U18.

## BNP PARIBAS' FRENCH RETAIL BANKING (FRB) DIVISION SUPPORTS ENTREPRENEURS AND BUSINESS START-UPS

BNP Paribas supports the launch of the new *Auto Entrepreneurs* system and is offering, once the account of the business owner has been opened, a preferential range of services including free access to the Esprit Libre Pro services, a 1,500-euro overdraft facility at a subsidized interest rate, and effective vehicle or equipment financing solutions. A practical guide drawn up by BNP Paribas explains in simple terms the steps entrepreneurs must take to present their business plan and financing requirements to financial advisors. In this period of economic crisis, FRB also reaffirms its willingness to support the real economy by running, for the fourth consecutive year, the "Doors Open to Professionals and Entrepreneurs" programme. Effective from 1 January 2009, the *Auto Entrepreneur* system was introduced under France's recent Economic Modernization Law, to enable all physical persons to establish, very simply, their own business activity, as their main or secondary occupation.

## BNP PARIBAS ASSURANCE LAUNCHES THREE FUNDS WITH A SOCIAL AND ENVIRONMENTAL FOCUS

Within the framework of its Corporate and Social Responsibility policy, BNP Paribas Assurance continues to promote Socially Responsible Investment (SRI) for individual investors by launching three funds: BNP Paribas Aqua, SAM Smart Energy and BNP Paribas *Insertion Salariés*. All three of these funds are equity funds that are managed according to SRI criteria. The two environmental funds invest in companies whose business mix is weighted towards environmental activities, water and renewable energies. The BNP Paribas *Insertion Salariés* fund reserves a maximum of 10% of its assets for investments in unlisted businesses and organizations that develop social solidarity programs. All three funds are managed with an SRI approach that systematically takes into account environmental, social and governance criteria in the investment process. The BNP Paribas Aqua fund is eligible for inclusion in life insurance contracts marketed by BNP Paribas and BNP Paribas Private Bank.

## ARVAL: SUSTAINABLE DEVELOPMENT WEEK AND ENVIRONMENTALLY RESPONSIBLE DRIVING

For the Sustainable Development Week, Arval offered to all its employees the use of open access computer terminals to try out the environmentally responsible driving e-learning module developed for its customers. For Arval, a specialist in long-term corporate car fleet leasing, the key to success was to develop sustainable transport solutions. Arval offers its customers training in safe and environmentally-friendly driving. Two types of training are available: an environmentally responsible driving course involving both a theoretical part and a practical part using a simulator, and an e-learning course including eleven modules. This training allows companies to optimize their car fleet in terms of environmental impact and cost, whilst ensuring the safety of the drivers by advising them on how to best maintain and use their vehicles.

## BNL INVESTS IN THE FINANCIAL EDUCATION OF ITS CUSTOMERS

Recent studies of financial literacy around the world have shown serious weaknesses in knowledge and understanding of financial products and services by customers. In the US for example, 50% of adults and 66% of students have inadequate understanding of concepts such as inflation and interest rates. In Italy, only 40% of customers are able to calculate the interest on a current account.

To educate its own customers so that they can make informed investment decisions, BNL organised EduCARE, a series of information seminars on key financial themes. Directors and managers of some 100 BNL branches led sessions to help improve the financial knowledge of their customers in an informal and interactive atmosphere, after opening hours. The initiative demonstrates the commitment of BNL to its customers.

## BNP PARIBAS' INCLUSION IN THE FTSE4GOOD INDEX HAS BEEN RENEWED

BNP Paribas' inclusion in the FTSE4Good Index Series, one of the two main references for Sustainable and Responsible Investment indexes, was confirmed by the FTSE in March 2009 during its biannual review. The index measures the performance of companies that meet globally recognised Sustainable and Responsible Investment (SRI) standards, and stimulates investment in those companies. FTSE4Good is a corporate social responsibility index, launched in 2001 by FTSE, EIRIS and the Financial Times. EIRIS, a not-for-profit organization founded in 1983, is a leader in rating Sustainable & Responsible Investment. BNP Paribas has been included in the FTSE4Good index series since 2001. Following the revision of the index, twenty-three companies have joined the new list and sixteen have been eliminated.

## BNP PARIBAS RESIDENTIAL REAL ESTATE WINS TWO "PYRAMIDE D'ARGENT" AWARDS

BNP Paribas Residential Real Estate has won two *Pyramide d'Argent* (Silver Pyramid) awards for the first time, for its "Les Venelles du Landy" building project in Aubervilliers in Île-de-France. The competition, organised by the French Property Developers Association, is intended to promote quality, expertise and innovation. The awards honour programs which meet the criteria for energy efficiency, environmental integration, sustainability and architectural merit. BNP Paribas Residential Real Estate was awarded the Grand Prize for Sustainable Development and the Regional Grand Prize for its project which contributes to urban renewal in La Plaine Saint-Denis. The project combines contemporary architecture, sustainable development and budgetary control.

## BNP PARIBAS PROMOTES AN ENVIRONMENTALLY RESPONSIBLE GRAPHIC DESIGN PROCESS

BNP Paribas is strengthening its commitment to responsible environmental policies through its graphic design process. To raise awareness among Group employees, it organised a conference on sustainable development and the graphic design process. BNP Paribas' goal is to better integrate environmentally friendly graphics materials into its communications. It has put in place a policy of purchasing environmentally friendly paper, in particular in its central reprographics department. The increasing use of recycled paper for Group communications is encouraged. Despite higher costs, these are effective communications tools for employees, enabling BNP Paribas to align its willingness to preserve the environment with its economic interests.

## KLÉPIERRE, A PROGRESSIVE COMPANY IN HUMAN RIGHTS ACCORDING TO VIGEO

Vigeo, a leader in extra financial ratings, conducted a sustainable development performance evaluation of Klépierre (a real estate company within the BNP Paribas group). The study covers 20 companies in the European real estate market. This analysis responds to the desire of investors for information on company performance in social and environmental matters. They also give the Group an outside assessment of actions taken in the workplace. Klépierre ranks above average in 5 of the 6 categories tracked by Vigeo. Klépierre is considered to be one of the most progressive companies in its sector in two social categories: human resources and human rights. Vigeo also notes the efforts made to ensure workplace equality. Progress has also been made in the environment category since the last ratings were awarded in November 2006. Klépierre's full acknowledgement of the stakes involved in the challenge of climate change and improved environmental accountability explain this improvement. Overall, the actions taken by the Group received a positive assessment, attesting to the progress made over several years. There is room for improvement, however. Klépierre seeks to intensify its commitment to sustainable development, so that it is visible to all stakeholders.

## LAUNCH OF THE GLOBAL PEOPLE SURVEY 2009!

BNP Paribas is launching the second edition of its Global People Survey. The aim of the survey is to gather the opinions of staff (no matter what their business or country) on their motivation and commitment, and how they view the Company and its values. The 2008 survey of 25,000 employees provided valuable insight into the commitment of staff, the factors that most affect their motivation and their desire to play a role in the development of BNP Paribas. Analysis of the survey results made it possible to respond with appropriate measures and projects across activities, retail operational entities, Group functions, businesses and territories that were part of the Group in 2008. The 2009 survey will differ in several ways. It is one of the first joint projects with Fortis. The number of respondents has risen from 25,000 to 180,000, across 78 countries within the new BNP Paribas Group. The survey will be conducted via an online questionnaire by the Towers Perrin –ISR firm. Staff surveyed will receive by email, at their workplace, a questionnaire available in 17 languages.

## BNP PARIBAS PRAISED FOR ITS EXCELLENT SHAREHOLDER RELATIONS IN EUROPE

BNP Paribas has been ranked first among banks in the European financial sector for its relations with shareholders, according to a study published by *Institutional Investor*. In this ranking, BNP Paribas precedes UniCredit and Santander. The ranking for the financial sector was based on a survey of more than 300 analysts and portfolio managers, who had to assess more than 200 European financial companies for the quality of their relations with shareholders. This survey was conducted within the larger scope of the fourth annual ranking of Europe's Most Shareholder-Friendly Companies, which covers 28 industry sectors within seven categories.

## BNP PARIBAS PARTNERS FRANCE'S MICROCREDIT WEEK

BNP Paribas is partnering the fifth annual Microcredit Week organised by Adie, a French not-for-profit organisation dedicated to promoting entrepreneurship through microcredit. During the week, 70 centres are set up across France to promote microcredit and link with as many business start-up projects as possible, especially in disadvantaged areas. For more than 15 years, BNP Paribas has worked with Adie to develop microcredit and business start-ups, so as to fight unemployment and economic exclusion in France. Almost 2,000 projects were financed this way in 2008, and almost 7,000 businesses helped over the years.

## THE FRENCH RETAIL BANKING AGENCIES MODEL IS AWARDED ISO 14001 ENVIRONMENTAL CERTIFICATION



BNP Paribas is the first bank in France to have its branch model certified. A total of 1,150 retail outlets have already been redesigned according to this model. The certification demonstrates the Group's commitment to the environment. In France, the retail bank has been implementing measures to protect the environment for several years. Certification is a further step towards managing the impact of the network in the areas of energy consumption, construction work, paper consumption and waste management. Launched in 2004, the Customer Services & Welcome programme, which aims at modernising the 2,200 branches in France, will continue until 2014. Most of the branches can be accessed by people with reduced mobility and are equipped with voice guidance devices for the visually impaired. Customer Services & Welcome reinforces personal safety and enhances the security of the valuables held at the branches. This certification, which is exemplary in the field, is recognition of the Group's environmental commitment.

## BANK OF THE WEST IS NUMBER ONE FOR CUSTOMER SATISFACTION



For the second year running, Bank of the West, the US subsidiary of BNP Paribas, was ranked highest in customer satisfaction among retail banks in the Western United States, in a survey by J.D. Power and Associates, a leading US marketing advisory firm. The West region, which includes the states of California, Oregon and Washington, represents nearly half of Bank of the West's retail customers. The survey of 28,000 American banking consumers, gave Bank of the West high marks on Transactions, Account Statements and Fees.