



SUSTAINABLE DEVELOPMENT DYNAMICS

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The 2006 BNP Paribas Sustainable Development Report is now on line; you can access it by clicking on, or copying, the following links:

- for the French version:

<http://www.bnpparibas.com/fr/developpement-durable/pdf/rapport-developpement-durable-2006.pdf>,

- for the English document:

["http://www.bnpparibas.com/en/sustainable-development/pdf/sustainable-development-report-2006.pdf"](http://www.bnpparibas.com/en/sustainable-development/pdf/sustainable-development-report-2006.pdf).

It nevertheless seemed to us that in the field of SRI, you would like to be in touch with our Company on an uninterrupted basis. We are therefore delighted to present you with this issue of "Sustainable Development Dynamics", a periodic information tool regarding the achievements of BNP Paribas in the areas of sustainable development/Socially Responsible Investment.

Our ambition in this process is to keep you posted of all the facts and events (and not only the "big things") occurring in the everyday life of our Company in these matters (whether they are related to sponsoring, environment, human resources, compliance,...), for you to be really associated with the way SD/SRI is implemented, as a truly integrated part of the way BNP Paribas is conducting its business for a value creation process in the interest of all its stakeholders.

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

WWW.BNPPARIBAS.NET: THE SECOND-BEST SITE AMONG MAIN BANKS

The magazine Capital opened accounts in 18 different French banks, including six that operate exclusively online. Its journalists went over the banks' Websites with a fine-tooth comb. Following the praise it received from the French Consumer Affairs, Housing and Lifestyles Association CLCV (see SUSTAINABLE DEVELOPMENT DYNAMICS #3), BNP Paribas took second place in this survey. Moreover, BNP Paribas has been distinguished for charging the lowest annual account management fee among all the "traditional" banks. The article stresses also the ingenious fraud protection system set up by the Group: customers wishing to make a transfer of funds receive a cell phone message containing a transaction code that is valid for only a few minutes. Capital advises the all-Internet banks to follow the lead.

BNP PARIBAS' RELATIONSHIP MANAGERS TAKING GOOD CARE OF THEIR CUSTOMERS

Starting 1 November, banks will be subject to the EU's new Markets in Financial Instruments Directive (MiFID) requiring that they ensure their customers have adequate financial knowledge before having them sign a contract. For several years, most banks have already segmented their customers according to wealth and needs, assigning relationship managers to each category.

In its survey of the asset management organization at 10 banks, the magazine Challenges determined that BNP Paribas "takes good care of all its customers" in this respect. It underscored the strength of our network, with five levels of relationship managers who are committed to meet with customers at least three times a year in order to stay abreast of their changing needs.

BNP PARIBAS ASSURANCE PARTICIPATES IN THE 5TH SEMINAR ON SUSTAINABLE GROWTH

This seminar, held under the auspices of the Ministry for Ecology and Sustainable Growth, gave BNP Paribas Assurance the opportunity to invite its 2,500 head office employees to attend a cycle of conferences and presentations on this issue. Discussion topics included climate change and the threat to biodiversity, with a projection of the documentary film "An Inconvenient Truth" by Al Gore and a noteworthy address by renowned astrophysicist Hubert Reeves, plus other themes such as sustainable growth as a new corporate economic model and a comparison of the main presidential candidates' environmental programs. This information and awareness initiative is part of the Corporate Responsibility program that BNP Paribas Assurance launched late in 2006.

UKRSIBBANK IS N°1 FOR QUALITY OF CUSTOMER RELATIONS

JSCIB UkrSibbank ranked first in a survey on the quality of service that Ukraine's banks offer their customers. Nine major Kiev-based banks were studied by RGB, an independent sociology and marketing research firm. Evaluation criteria included the reception of customers, identifying their needs, advisory, the outcome of discussions, confidentiality, and the appearance of branch exteriors.

Oleksandr Adarich, CEO of UkrSibbank, said, "Today, it is no longer enough just to offer a certain number of products in order to be competitive in the market. Brand image, reliability, service quality, and branch comfort and accessibility are all key factors that customers take into account when choosing a financial partner."

CIB MOVES INTO MICROFINANCE

CIB has just finalized a 100 million rupee (\$2.2 million) loan facility for the Indian microfinance institution Swayam Krishi Sangam (SKS). This transaction kicks off the Bank's microfinance program, which began in December 2006 and which aims at building a significant portfolio of loans to microfinance institutions throughout the CIB (Corporate & Investment Banking) and IRFS (International Retail & Financial Services) international networks.

SKS is one of India's largest microfinance institutions, growing by over 100% a year. It distributes loans to nearly 450,000 micro-entrepreneurs, mostly women organized in village groups. This loan facility is expected to help nearly 20,000 borrowers develop their business activities.

TRAINING PROGRAM TO UNDERSTAND MARKET ABUSE



The Compliance function recently made an e-learning module on market abuse available to staff members. This brief, user-friendly, interactive module contains numerous examples to help users familiarize themselves with the notions of stock price manipulation, insider trading, and privileged information. It

presents the various warning signs of suspicious operations and contains reminders of the Group's obligations to make declarations to the supervisory authorities. The training program shows that there are numerous forms of market abuse and that a large number of employees may be concerned. It stresses the care that each employee must take in executing his or her daily assignments.

NEW ISO CERTIFICATION FOR UBCI

The Group's Tunisian subsidiary UBCI recently obtained ISO 9001: 2000 certification for the processing of its cross-border funds transfers. Bureau Veritas Certification also renewed this certification for the documentary credit and documentary draft activities that the bank first obtained in 2002. This certification represents recognition for the quality and security of UBCI's high value-added services. Moreover, UBCI is the only bank in Tunisia to have ISO 9001: 2000 certification for this type of activity.

BNP PARIBAS FOUNDATION PRAISED BY FRENCH MINISTRY OF CULTURE

The French Ministry of Culture and Communications has lauded the BNP Paribas Foundation for its longstanding corporate patronage policy. Addressing Group Chief Executive Officer Baudouin Prot, French Culture Minister Renaud Donnedieu de Vabres hailed the continuity and scope of the patronage policy that the BNP Paribas Foundation has applied since the early 1980s. Mirroring the diversity of the Group's business lines, the Foundation operates in three different areas: culture, healthcare and solidarity.

BNP PARIBAS SUPPORTS VALENCIENNES "REGIONAL CULTURAL CAPITAL"

The city of Valenciennes has signed a partnership agreement with BNP Paribas for the exhibition "Representing the Invisible in the Middle Ages-Treasures of Romanesque Illumination in the Nord Pas de Calais". The Romanesque manuscripts on exhibit are medieval masterpieces which, paradoxically, are little known in their home region of northern France. BNP Paribas is fully supporting the town of Valenciennes in its efforts to build on culture as a factor for development and greater social integration.

A NEW INTERNAL AUDIT ORGANIZATION IN ITALY

Periodical auditing of BNL and BNP Paribas entities in Italy will now be conducted by a new management team "BNL-BNPP Auditing Group Italia". In compliance with the structure of periodical auditing within the Group, this management team comprises 160 auditors and is linked directly to the General Inspection Department. Consequently, the BNP Paribas Internal Audit Charter, which defines the responsibilities and procedures for periodical audits, was distributed to all group employees in Italy. It provides the auditors in Italy with the mandate to conduct periodical audits of all BNP Paribas activities in Italy. This new mechanism will help enhance the consistency and effectiveness of periodical audits within the Group.

BNP PARIBAS CREATES A SECURE SPACE ON THE INTERNET AND SUPPORTS THE "E-ENFANCE" ASSOCIATION

Mindful of internet security and the protection of children, BNP Paribas has created an educational and informational website for the general public on internet security (www.espacesecure.bnpparibas.com). The purpose of the site is to help all internet users better understand the web and use it more safely. In addition, BNP Paribas is also supporting the "E-Enfance" Association's blog, which can be seen at www.e-enfance.org. The Association's mission is to address the concerns of many parents of young internet users, who sometimes feel overtaken by their own children's skills with respect to new technologies.

AFTER MONTREUIL, A SECOND COMPANY CONCIERGE SERVICE IS LAUNCHED IN RUEIL-MALMAISON

BNP Paribas's women's network, Mix City, introduced the Company Concierge Service concept to the bank. GIS (Global Information Systems) then took the initiative to launch the first Company Concierge Service in Montreuil in September 2006. A similar service is now available in Rueil-Malmaison for the employees of Cortal Consors, Arval (in collaboration with its Works Committee), GAM Restaurant, and Groupement Kléber Services. BNP Paribas Luxembourg also established "IZI Life" which is co-financed by BP2S, BNP Paribas Asset Management, and InvestLife.

The main aim of the service is to make life easier for employees by providing solutions to a variety of daily issues, thereby creating a better balance between life and work.

Cortal Consors, Arval, GAM Restaurant, and Groupement Kléber Services have opened a telephone platform offering a variety of services (location of service providers for personal work, homecare, assistance in organising events, holiday reservations, legal advice, etc.). Employees benefit from it Monday through Friday. The 1,300 employees who are located in Rueil-Malmaison have access three days per week to a dedicated space providing them with services ranging from carwash to dry-cleaning and primary-care products.

TENNIS: BNP PARIBAS CONFIRMS ITS COMMITMENT

BNP Paribas and the French Tennis Federation extend their partnership for 5 years (2007-2011). As a sponsor of the Davis Cup (since 2001), the Fed Cup (since 2005), the Monte-Carlo Tennis Masters series (since 2005) and the Masters series in Italy (since 2007), the Group is now the leading partner of world tennis. The presence of BNP Paribas at Roland Garros (French Open) since 1973 and the BNP Paribas Masters series since 1986 lies at the origin of this long partnership and is today the flagship for an original approach to sponsorship that focuses exclusively on tennis and provides the sport with support in every way. This also includes support for families (with the BNP Paribas Family Trophy) and for nearly 450 regional or local tournaments, and solidarity through tennis handisport and the "Fête le Mur" Association (to promote sport in disadvantaged neighbourhoods).

TEB SUPPORTS THE EDUCATION OF TURKISH CHILDREN



TEB Sigorta, the insurance subsidiary of TEB Mali, a 50% entity of BNP Paribas which owns 84.25% of Türk Ekonomi Bankasi (TEB), recently made a donation to the "Baba Beni Okula Gönder" campaign (Papa, send me to school!), which provided funding for the education of 145 students for 3 years. TEB's participation in this campaign started last September during the launch of an insurance product that guarantees school fees for children in the event of the death or disability

of their parents. At the time, the bank committed to contributing a portion of the revenues from the sale of this product to this initiative: 145 young girls will now be able to continue their education for three years. TEB does not plan to stop at this initial contribution and hopes to sponsor 800 students by the end of the year. Launched by *Çagda Ya ami Destekleme Derneği* (Association to Improve Quality of Life) and the national daily newspaper *Milliyet*, the "Papa, send me to school!" program will facilitate the education of young Turkish girls, particularly affected by illiteracy in some rural regions of the country.

THE CANNES FESTIVAL MOVES TO THE SUBURBS

By creating the "Festival Cannes et Banlieues" (Cannes Festival and the Suburbs), Luc Besson wanted to make culture accessible to the masses, by allowing residents to participate in an event traditionally reserved for professionals and "elite". BNP Paribas is both the bank for film and for the suburbs and therefore supports this original initiative. The "Festival Cannes et Banlieues" is a travelling 10-day screening event in ten cities around Paris. Every evening, starting at 9:00 p.m. there is a free outdoor projection onto a jumbo screen measuring 30 metres. Viewers will therefore enjoy the same projection quality as those attending the Croisette event. "It is a gesture towards the suburbs. A symbolic and friendly gesture. In my opinion, culture is not elitist but populist (...), and if these films can provide direction or even stir passions, I will be extremely happy", explains Luc Besson.

JCDECAUX AWARDS THE CITY OF PARIS BIKE PROJECT TO BNP PARIBAS

JCDecaux, the world leader in street furniture, recently won the City of Paris call for tenders. In addition to bus shelters, JCDecaux will offer Parisians and tourists a new bike service: a self-service rental of 25,000 bikes at 1,500 stations across the capital. Simple and easy to use, bike rental will be available 24/7 through payment with Carte Bleue (the most widely-spread credit card in France) or Moneo (electronic purse). Despite serious competition, BNP Paribas won the electronic banking call for tenders (10 to 15 million transactions a year) that JCDecaux issued as part of the project. A similar initial experience conducted successfully in Lyon in 2005 contributed to this subsequent success. Moreover, the reliability of the process, the respect of deadlines, quality implementation and the global relationship between BNP Paribas and JCDecaux made the difference.

LAUNCH OF THE ENERGIBIO PERSONAL LOAN BY BNP PARIBAS

BNP Paribas is launching **Energibio**, a new personal loan designed to finance clients' home improvements aimed at saving energy and contributing to sustainable development. **Energibio** will be offered at an attractive interest rate.

THIRD EDITION OF "MICROCREDIT WEEK"

BNP Paribas has signed on as a partner for the 3rd edition of the "Microcredit Week" organized by ADIE (Association pour le Droit à l'Initiative Economique). The objective of the event is to introduce microcredit to unemployed persons and those on low-income support, and create a maximum number of new business projects, particularly in disadvantaged neighbourhoods. Ninety forums will be organized across France in public venues as well as in local associations and networks providing assistance for business development or social support and integration initiatives.

BNP Paribas is the first commercial bank to form a national alliance with ADIE across its entire network. In 2006, BNP Paribas increased a credit line to ADIE from €4 million to €5 million, and will add €650,000 per annum over three years as part of its "Projet banlieues" initiative.

NANTES PUTS A MOBILITY PLAN IN PLACE FOR BNP PARIBAS EMPLOYEES

The municipality of Nantes, which supports sustainable development, helps companies address their transport needs within the Nantes urban area by providing technical – and sometimes financial – support. Over and above the transport contribution paid by the companies, there is a 15% discount on the price of the annual public-transport pass for employees of companies which have signed a mobility plan. The response rate for the survey conducted among group employees in the Nantes urban area shows an awareness of the modes of transport available for travel between home and work, which suggests that the action should be continued. When the agreement with the municipality currently being drawn up has been signed, employees will enjoy the abovementioned benefits, which will further encourage public-transport use. Advantages for employees include savings on travel costs, less stress and better health, while the population at large enjoys lighter traffic, greater accessibility and reductions in noise, pollution and accidents.

HIGHLIGHTS OF THE CONFERENCE ON PHILANTHROPY AND SUSTAINABLE DEVELOPMENT

Private Banking brought together 100 of its largest clients from around the world for an event in Paris focusing on Philanthropy and Sustainable Development. The highlight was a conference in the bank's reception rooms. This inaugural meeting included a prestigious group of speakers and participants, each bringing a distinct perspective to the topic. They included Professor Amartya Sen, winner of the Nobel Prize in Economics, Yann Arthus-Bertrand (Good Planet Association), Alice Dautry (Pasteur Institute) and Franck Riboud (CEO of Danone). At the end of the conference, the creation of the BNP Paribas Award for Philanthropy was announced: it will be awarded each year to a person or family showing a notable philanthropic commitment.

COMPLYING WITH HUMAN RIGHTS AND TAKING THEM INTO ACCOUNT WHEN CONDUCTING BUSINESS HAVE BECOME PRIORITIES FOR LARGE GLOBAL GROUPS

Within this context, BNP Paribas has joined forces with eight large French & French-speaking companies to share best practices with a view to taking greater account of Human Rights and helping to ensure that they are abided by. *Entreprises pour les Droits de l'Homme* (EDH) draws inspiration from work carried out since 2003 by the Business Leaders Initiative on Human Rights (BLIHR), and aims to enhance achievements to date through input from French-speaking culture. The Group – which was created following exchanges with a variety of players including BLIHR and Amnesty International France – will work in partnership with other stakeholders who are committed to defending Human Rights, among them trade-unions, NGOs, governments and other companies.

BNP PARIBAS AND THE FRENCH DEVELOPMENT AGENCY (AFD) SIGN A FRAMEWORK COOPERATION AGREEMENT

The aim is to conduct projects involving microfinance and sustainable development in general, in countries where the Group has a presence. This will be achieved mainly through the subsidiaries of the IRFS (International Retail banking and Financial Services) core business, as is already being done in North Africa, Sub-Saharan Africa and Turkey.

The first objective of the partnership is to refinance microfinance institutions through subsidiaries located in developing countries. AFD will provide support through its subsidiary Proparco, whose role is to develop appropriate financial instruments for the promotion of the basic services offer in developing countries - e.g. the Ariz guarantee fund, which is to be made available for project development-. In addition to microfinance, BNP Paribas and AFD work together to develop projects supporting sustainable development in other domains. The main aim is to support the initiatives taken by the Bank's clients in sectors such as energy management, local environmental protection and industrial decontamination. Within this framework, AFD provides BNP Paribas with financial resources that the Group can use for financing client projects aimed at promoting sustainable development. AFD works in close cooperation with the authorities in the countries concerned, and the finance provided can act as a catalyst for the implementation of public policies.



WITH FICRA, BMCI'S IDEAS ARE TAKING FLIGHT

FICRA is the new approach to innovation for employees of BMCI (BNP Paribas' subsidiary in Morocco), based on the 4 values of the Group: Responsiveness, Creativity, Commitment and Ambition. FICRA, which means "idea" in Arabic, is the French acronym for "Customer Loyalty thanks to Increased Responsiveness". The approach is based on participation and seeks suggestions from staff to improve products, services and procedures. Each quarter, suggestions are evaluated by the FICRA Committee, made up of representatives from the main entities of BMCI and its subsidiaries. A reward will be given to employees whose ideas are retained by the FICRA Committee, and the Management Committee will give an additional award to the three best suggestions implemented.