



SUSTAINABLE DEVELOPMENT DYNAMICS

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EDITO

As you are aware, BNP Paribas issues every year a Sustainable Development Report (the 2005 edition was the 4th release of this document), along with its so called "Annual" Report, more "traditional business-oriented" and including the comprehensive Financial Statements of our Company for the previous Fiscal Year.

It nevertheless seemed to us that in these matters, as it happens regarding the business related items, you would like to be in touch with companies on a more continuous basis. We are therefore delighted to present you with the first 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 (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 "living and well", 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.

We wish you a good reading of this first issue.

ISO 9001 CERTIFICATION FOR BNP PARIBAS INDIA

BNP Paribas India's Cash Management Services business line has received ISO 9001 certification, reflecting the fact that the front-office services in Mumbai, Delhi, and Bangalore, as well as the centralized operations based in Mumbai, comply with the globally recognized independent standard for management, operational procedures, and internal control.

NEW FACILITIES FOR THE INSTITUT "LES CENT ARPENTS"

The "Institut Les Cent Arpents" has inaugurated its newly refurbished and expanded occupational rehabilitation facilities in Saran (near Orléans).

BNP Paribas, which was behind the creation of this institution more than 25 years ago, helped finance the renovation work. The five workshops (printing, packaging, carpentry, painting, and gardening), employing hundred handicapped persons, have tripled in size, to over 50,000 sq. ft.

IMPROVEMENTS IN THE PROFESSIONAL EVALUATION PROCEDURES

Group Human Resources has chosen to revise the system in order to make evaluations more pertinent and to streamline the evaluation procedure.

The document has been simplified and new items have been added (a clearly defined evaluation of four aspects of managerial behavior, a supervisor's summary, and compliance criteria). A two-part version of the evaluation sheet has been created for staff members working on assignment during the year: one part is to be used within the first three months and the other upon completion of the assignment.

All these documents, as well as a user's guide and an operating manual with answers to a number of practical questions, are available for all BNP Paribas personnel over the Intranet.

MUTUAL FUND "ETHIQUE & PERFORMANCE" FOR SOCIALLY RESPONSIBLE INVESTMENTS

BNP Paribas Group is offering its customers a chance to benefit from the best market opportunities in the form of a safe, ethical investment in the closed-end mutual fund "FCP Ethique & Performance". This five-year fund will give major associations and institutional investors access to three asset classes: ethical securities from the FTSE 4 Good Europe 50 index (corresponding to 50 European companies adhering to internationally recognized ethical and environmental standards for social responsibility), the bond market and the money market. With its strong attachment to ethical, social, and environmental values and the strong sense of social responsibility that shapes its policy, BNP Paribas is one of the privileged few banks to be included in the main stock indexes for socially responsible investments.

BNP PARIBAS ECEP CREATES A "CARBON TEAM"

The mission of this new London-based team is to inform clients and enable them to seize opportunities related to trading and financing CO2 emission permits. Ratification of the Kyoto Protocol, which aims to fight climate change by reducing greenhouse gas emissions, has created a new class of financial assets: tradable CO2 emission quotas. These assets open up a large number of business opportunities for BNP Paribas. The new team rounds out the ECEP organization, which is already highly active in these markets.

BNP PARIBAS SELECTED FOR THE INTERNATIONAL TENNIS HALL OF FAME

BNP Paribas has been selected as the first honoree of the Joseph Cullman Award from the International Tennis Hall of Fame. The Bank was recognized for the significant contributions it has made to the game of tennis globally and the help it has given to develop the sport around the world. The Bank was chosen from a distinguished group of companies and organizations that support the game.

BNL: TITLE SPONSOR OF THE ITALIAN INTERNATIONAL TENNIS CHAMPIONSHIPS 2007-11

BNL has become title sponsor of the Italian International Tennis Championships, renamed "Internazionali di tennis d'Italia", to be held from 5-20 May 2007. The upcoming tournament will have a new logo, comprising the name of the event and the BNP Paribas Group signature.

The logo will appear on all the tennis courts of the Foro Italico (where the competition will be held), all communication media used to publicize the event and the championship trophy.



CHANGES TO THE PARENT COMPANY AND GROUP PROFIT-SHARING AGREEMENTS

BNP Paribas SA's General Management and three labor unions signed a new profit-sharing agreement to replace the one that had expired. The new agreement, which concerns employees of BNP Paribas SA and all participating subsidiaries, is a continuation of previous ones, giving employees an interest in the Group's profitability. It will be used to calculate profit-sharing benefits disbursed in 2007 in respect of the 2006 results.

"L'ATELIER" CITED AS A REFERENCE FOR INNOVATION NETWORKS

In a report devoted to best practices in innovation, Forrester Research singled out France's "l'Atelier" (the BNP Paribas technology monitoring unit) as a technological innovation broker.

The author, Forrester VP and world-renowned expert Navi Radjou, feels that l'Atelier succeeds in bringing corporate demand for innovation together with the technological offering of the most dynamic companies through its media and at the events it organizes.

According to the report entitled "A French Revolution in Innovation is Unfolding", France is ahead on the Internet, IT, and the sectors that drive innovation. Fifty-six percent of the French regularly use the Internet, and its on-line B2C market is expected to triple to \$39 billion by 2011. In the field of social computing, France is the world's second-largest blogosphere, right behind the United States. Its more than 7 million bloggers offer a marketing opportunity for innovative companies that use surfer surveys to help create products.

INTERNET SECURITY FOR ALL

In July, BNP Paribas launched www.espacesecurite.bnpparibas.com, a French-language Web site on Internet security aimed at the general public. Useful information, practical tips, services, and tools, presented in a format that is both entertaining and instructive, will encourage surfers to exercise due care when using the Internet. An English language version is now on line, and an Italian-language version is being prepared. An ancillary site, featuring a video clip, games, and activities, helps parents teach their children to become responsible Web surfers. This special site will soon be translated into English and Italian.



2006 SAM RATING

For the fifth time in a row, BNP Paribas was selected in 2006 in the two socially responsible indexes: DJSI World et DJSI Stoxx. The Group got a rating of 68% by the SAM (Sustainable Asset Management) Agency, compared to an average of 48% for the financial and banking sector.

The confirmation of the presence of BNP Paribas in the main indexes in the field of socially responsible investment, is an acknowledgement of the initiatives taken by the Company within the frame of its social and environmental responsibility.

THIRD EPISODE OF "INSTANT INTERVIEW"

BNP Paribas is offering permanent sales positions in the Paris area network to holders of associate-, bachelor-, or masters-level degrees and at least some professional experience. Twelve Paris area branches are taking part in the operation. The campaign is being announced on billboards in train stations and through advertisements in the regional press and in L'Equipe.

A number of job placement Web sites (Keljob, Sourcea, Cadreonline, Apec, Monster, Cadremploi) and general sites such as Allociné, Yahoo, and L'Equipe.fr will be publicising the operation on line.

INCREASING COMMUNITY SERVICE EFFORTS IN THE LILLE AREA

The Lille area branch network will contribute to a special solidarity drive while participating in a year-end festival called "Is Santa a Rocker?" The aim of this event, organised by the Vive les Vacances ("Hooray for Holidays") association created by students of the EDHEC business school, is to collect gifts according to the principle of one concert ticket = one toy = one happy child. From 2 November to 8 December, the 43 BNP Paribas branches in the Lille area will accept gifts from individuals in exchange for concert tickets. The toys they gather will be distributed at the city's social centres during the holiday season.

The "Is Santa a Rocker?" project is one of the local-level initiatives that the BNP Paribas Foundation has chosen to fund as part of its Program for the Depressed Suburbs.

TREASURES OF CHILEAN BAROQUE MUSIC

The BNP Paribas foundation is a faithful partner of the "Baroque Pathways in Latin America" cultural cooperation program. This year's program, which is devoted to Chile, has helped launch a young Chilean ensemble called Terra Australis. On 4 and 5 September, this baroque instrumental and vocal group was giving two concerts in Santiago. For the concerts to which BNP Paribas and Cardif are inviting a number of clients, Terra Australis has chosen to present the music of Florianus Ott, a Jesuit composer whose works have just been rediscovered in the musical archives of a former monastery in Santiago. These young Chileans will then come to France in November to give several concerts as part of the 6th Latin American Baroque Month festival.

ISO 9001 CERTIFICATION CONFIRMED FOR GIS

Through its IT Production Services (ITPS) department and its subsidiary BP²I, GIS handles IT systems and data for BNP Paribas in Europe, Africa and the Middle East. Following ISO 9001: 2000 certification for BP²I a few months ago, certification has just been confirmed for ITPS, acknowledging the efficiency of its organization and processes, as well as its ability to make improvements on a continuing basis. Together, ITPS/BP²I (more than 2,000 employees) is one of the largest bank data handling entities in Europe to have reached this quality level.

BNP PARIBAS STEPS UP DEVELOPMENT OF RETAIL BANKING IN EMERGING MARKETS

BNP Paribas' emerging markets and overseas (EMO) retail banking arm is stepping up the development of its networks, epitomising the dynamic approach that makes retail banking one of the Group's primary growth drivers. This rapid development is chiefly centred on the Mediterranean basin, an area that BNP Paribas has made one of its major strategic priorities in recent years, and on Far-Eastern Europe where the Group's focus on the retail banking market is more recent. The development of these networks is very significant for BNP Paribas' entire emerging markets activity. From 500 branches in 2004 and 574 in 2005, it will comprise over 1,650 outlets at 31 December 2006.

FIRST MICROCREDIT OFFICE IN MARSEILLE

In cooperation with ADIE, BNP Paribas has inaugurated its first microcredit office, in Marseille, as part of its "Program for Troubled Suburbs", which is funding six office openings across France in 2006. The new ADIE office in Marseille strengthens the network of seven that already exist in the area. Since 2005, ADIE has financed nearly 340 projects in the Provence/Alps/Riviera region, with an average origination amount of €3,700, from its BNP Paribas credit line. In this region's corporate and professional market, the Bank has financed nearly 11,000 companies created within the past three years.

PRESENTATION BY AL GORE AT BNP PARIBAS ASSET MANAGEMENT

On 12 and 13 October at the offices of BNP Paribas Asset Management, the Institutional Investors Group on Climate Change (IIGCC)-with the sponsorship of BNPP AM, a pioneer in sustainable investment-organised a conference on the economic consequences of global warming and the repercussions on investment.

The IIGCC, which is a forum for alliance between institutional investors, had the pleasure to present former US vice president Al Gore as the keynote speaker, in his capacity as chairman of Generation, a company which specialises in environmental technologies. His assessment of the state of the planet ("Earth in the Balance Sheet") echoed the issues presented in his documentary, "An Inconvenient Truth", which is breaking box-office records in the United States.

BNP PARIBAS WITHIN THE BEST IN CLASS IN THE RANKING RELEASED BY THE CARBON DISCLOSURE PROJECT

BNP Paribas is one of the 3 banking groups among the 27 French companies selected by the *Carbon Disclosure Project* (CDP) to be part of the *Climate Leadership Index*. This result is the consequence of the efforts accomplished by the Bank in the area of environment protection, and more specifically regarding the reduction of green-house gases emissions.

BNP PARIBAS SOLE FRENCH BANK IN TOP 10 BEST SUSTAINABLE DEVELOPMENT REPORTS

For the fourth consecutive year, the Centre Française d'Information sur les Entreprises (CFIE-Conseil) reviewed and evaluated social and environmental responsibility reporting by French blue chip Corporations in the CAC 40.

Since the creation of this assessment, BNP Paribas has consistently ranked towards the top of the list of ten best annual reports.

"VILLAPART" AND "IRIS CONCEPT" BRING NOVEL SOLUTIONS TO THE YOUTH HOUSING MARKET

BNP Paribas Espaces Immobiliers has developed a new housing concept to help young people-whether single or married, with or without children- ease their way into the working world. The concept, to be implemented in cooperation with the company's usual developers and with Meunier Habitat, consists in building private-sector rental apartment complexes that meet sustainable development standards.

Each complex will contain 70 to 90 compact studios and 1 - and 2 - bedroom apartments that are fully equipped and furnished and offer limited services. These complexes, commercialized under the name Villapart®, will be developed both for middle-income tenants (private-sector investments) and for low-income tenants (socially responsible "Iris Concept®" investments). All companies involved in building Iris Concept® housing will agree to keep costs down.

Moreover, thanks to controlled real estate charges and a reduced 5.5% VAT rate, it will be possible to hold rents to reasonable levels.