

# WORKING TOGETHER as a responsible bank

2013 - CORPORATE  
SOCIAL RESPONSIBILITY  
REPORT



## 2013 FACTS AND FIGURES

BNP Paribas supports social enterprises that create employment. Flexpack, the Belgian packing company, is committed to employment opportunities for people with disabilities.



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

# A GLOBAL LEADER IN BANKING

**No. 1**  
eurozone  
bank

RANKED **8<sup>th</sup>** AMONG  
GLOBAL BANKING BRANDS

**17<sup>th</sup>** LARGEST FRENCH  
COMPANY ALL SECTORS  
COMBINED

**185,000**  
EMPLOYEES WORLDWIDE

**52%**  
Domestic  
markets

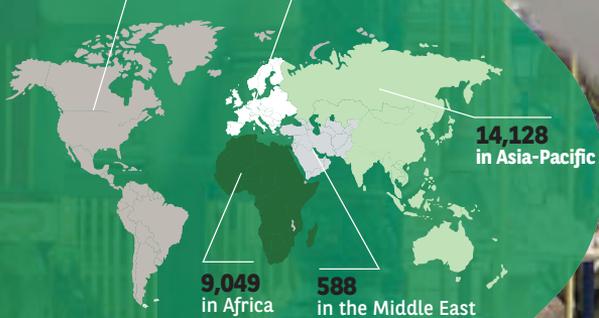


**25%**  
Europe  
(excluding  
domestic  
markets)

**23%**  
Rest  
of the  
world

**18,672**  
in the Americas

**141,502**  
in Europe



**14,128**  
in Asia-Pacific

**9,049**  
in Africa

**588**  
in the Middle East

Revenues  
of EUR  
**38.9**  
BILLION  
(down 0.7%  
on 2012)

**3** CORE  
ACTIVITIES

- Retail Banking
- Corporate and Investment Banking
- Investment Solutions

Presence in  
**75**  
COUNTRIES

LONG-TERM  
CREDIT RATINGS

**A+** STANDARD  
& POOR'S

**A1** MOODY'S

**A+** FITCH

# CHARTER

The BNP Paribas  
Responsibility

## OUR MISSION, OUR RESPONSIBILITY

The BNP Paribas group is the product of successive bank mergers which began to make their mark on European economic history back in the 19th century. Nurtured over a long period of time, the trust that clients place in us is our most precious asset. We lead and steer the Group in accordance with the commitments that are essential to deserve that trust and also **to act as a responsible bank.**

## OUR ECONOMIC RESPONSIBILITY

*Remaining true to our primary mission:  
long-term service to our clients*

BNP Paribas' primary vocation is to serve our clients, creating long-term relationships and helping them to fulfil their plans and projects. On the one hand, we help individuals to manage their finances and savings on a day-to-day basis, and on the other we are the banking partner of choice for companies of all sizes, and for institutional clients. Our business model is that of a universal bank, because this model best meets the multiple needs of our clients around the world. BNP Paribas operates in three main business areas, with staff working together across these areas on a daily basis.

→ **Retail Banking** is made up of local multichannel networks-branches, business centres, wealth-management centres and digital banking. All deposits are channelled into lending activities. Retail Banking is also made up of international, specialised businesses that serve trade and industry. These include consumer lending, office and equipment leasing, and vehicle fleet-leasing services.

→ **Corporate and Investment Banking (CIB)** does business all over the world, aiming to be a long-term strategic partner to companies and institutional clients. CIB supports their growth and business-development needs, through both direct financing and the capital markets, and through risk management and advisory services.

→ **Investment Solutions (IS)** division consists of a range of complementary business lines, including insurance, asset management, real estate, and investor services. IS develops innovative products and services for both its own clients and for those in other Group businesses.

BNP Paribas is also 'the bank for a changing world'. In all our activities, we aim to drive and anticipate innovation, and we are committed to helping and supporting our clients as they face change. For individual customers, this includes online and mobile banking, together with new payment methods. For companies, our 'One Bank for Corporates' network is designed to support the globalisation of their businesses. And for those wishing to set up their own business, we are there to help them bring their plans to fruition.

In order to be able to carry out these various missions in a context of sharply increasing regulatory and capital requirements, BNP Paribas doubled its capital base between 2008 and 2013 and further strengthened its liquidity position. The Group also retains and reinvests the major part of its profits each year so as to continue strengthening its financial position and meet customer demand for credit, yet deliver regular returns to the shareholders who place their confidence in the bank.

*Being prepared to take risks,  
while ensuring close risk control*

→ Financing the economy, supporting projects, helping clients to manage their currency or interest-rate exposure - all this means accepting a degree of risk. One of BNP Paribas' great strengths is precisely this expertise in managing risk. The Group believes that rigorous risk control is part of its responsibility, whether to clients or to the financial system as a whole. The bank's decisions on the commitments it makes are reached after a rigorous and concerted process and based on a strong, shared risk culture which pervades all levels of the Group. This is true both for risks linked to lending activities, where

loans are granted only after in-depth analysis of the borrower's situation and the project to be financed, and for market risks arising from transactions with clients. These are assessed on a daily basis, tested against stress scenarios, and subject to limits. As a strongly diversified Group, both in terms of geography and businesses, BNP Paribas is able to balance risks and outcomes as soon as they materialise. The Group is organised and managed in such a way that any difficulties arising in one business area will not jeopardise another.

## Following a strict business ethic

Compliance with rules and following a strict ethical code are as important to BNP Paribas as rigorous risk control. The Group refuses to work with any client or organisation that is involved in fraud, corruption or illicit dealings. This determination also of course includes obeying the law and complying with the regulations of countries in which we work. However, the Group's internal rules, especially the Code of Conduct that applies to every employee, can be even more demanding. BNP Paribas set up a Compliance department in 2005 (long before the crisis) that has existed in its current form since its founding. The Head of Compliance is a member of the Group Executive Committee. The department's staff numbers have increased fourfold since 2005 and today 2,000 people work there.

However, we do not claim to be infallible. The Group has many businesses and departments, which are subject to many different national regulatory frameworks. We have a duty to maintain a vigilance that is ongoing and assisted by our Audit & Control teams and the General Inspection office. Where lapses are identified, immediate corrections are applied, together with sanctions where appropriate, and in full cooperation with the relevant public authorities.

BNP Paribas is also determined to do its civic duty in the field of taxation.

The bank is one of the biggest taxpayers in France and a sizeable taxpayer in the main countries where it does business. The Group has withdrawn from all tax havens identified as such by international public bodies. We also strive to foster compliance with tax obligations among our clients, notably through our policy on responsible Private Banking.

At BNP Paribas, loyalty to our clients is another fundamental principle that underpins our ethics. Each and every one of the Group's employees strives wholeheartedly to help our clients to be successful, taking as great a care of their interests as those of the bank. Whether it concerns savings, loans, insurance or payment systems, a BNP Paribas employee would not offer a product or transaction knowing it is not in the customer's best interest.

BNP Paribas takes a particularly supportive attitude to clients if they get into difficulty. Our approach is always to look beyond the current crisis to the future. The Group measures customer satisfaction across all business lines and we regularly adjust our Quality policy to ensure that our ratings remain high. Nevertheless, a bank is made up of men and women who may have great talent and skills but who may sometimes make mistakes. When this happens, BNP Paribas admits its errors and takes steps to remedy any unfavourable consequences for the client.

## OUR SOCIAL, CIVIC AND ENVIRONMENTAL RESPONSIBILITY

**In all the regions where the Group does business, it is closely involved in the local community of which it is a part. First of all, the bank lives up to its economic responsibilities, as outlined above, by working to finance clients' plans and projects. In addition, BNP Paribas recognises that it has responsibilities in three other areas:**

→ **Social responsibility** means treating the Group's 185,000 employees in a fair and loyal manner, and engaging in serious and meaningful dialogue with staff and union representatives. BNP Paribas recruits and trains some 20,000 new staff each year. The Group has made a strong, conscious commitment to fostering diversity in all its forms, including setting objectives for promoting women. BNP Paribas' employment policy includes prioritising redeployment of existing staff through internal job mobility and training. We recognise that we have a particular responsibility in our four 'domestic' markets, where our size and range of activities have always enabled us to avoid forced redundancies.

→ **Civic responsibility** means helping to combat social exclusion and to promote education and culture. The Group has a strong stake in society, through initiatives and projects which take its banking role one step further for the good of society: special assistance for underprivileged neighbourhoods and sensitive areas; microcredit; and support for charitable organisations and social-economy enterprises. Our investment in microfinance and lending to the social economy are rising constantly and will exceed €200 million in 2015. Our civic engagement is also manifested in the corporate-philanthropy work of the BNP Paribas Foundation, whose charity initiatives encompass

education, culture and research. An annual budget of nearly €40 million is allocated to its activities. These include the BNP Paribas 'Rescue & Recovery' Fund, which partners with three humanitarian NGOs. Last but not least, our business lines and branch networks organise financial-literacy programmes in order to give as many citizens as possible a better grasp of money matters.

→ **Environmental responsibility** means paying particular attention to the direct and indirect impacts on the environment that arise from the bank's activities around the world. BNP Paribas has drawn up detailed criteria relating to financing and investing in sensitive fields of industry and trade, including power-generation and forestry. In addition, the Group has set clear objectives for reducing the environmental impact of its own day-to-day operations, including the reduction of paper consumption by 15% by 2015. Lastly, the Group supports, through the BNP Paribas Foundation, research programmes that aim to expand human knowledge on climate change and help manage the consequences. BNP Paribas has set numerical targets in all these areas. Part of the long-term compensation package of managers at the Group is linked to achieving these targets.

These commitments are reflected in a clear set of BNP Paribas Management Principles: Client Focus, Risk-Aware Entrepreneurship, People Care, and Lead by Example. They serve to inspire the Group's 2014-2016 Development Plan. The teams at BNP Paribas strive each day to ensure success for those who place their trust in the bank and also to promote the good of society. At BNP Paribas we are proud to be a responsible bank and we take great pride in our profession. This is our vision for the bank.

Baudouin Prot  
Chairman

Jean-Laurent Bonnafé  
Chief Executive Officer



# “MEETING OUR RESPONSIBILITIES IN A CHANGING WORLD.”



*Baudouin Prot*  
CHAIRMAN



*Jean-Laurent Bonnafé*  
CHIEF EXECUTIVE OFFICER

“ **D**espite a challenging economic environment and an uncertain regulatory framework, BNP Paribas delivered results in 2013 that demonstrate the effectiveness and operating resilience of our business model.

2013 was also a year our Group focused on its preparation for the future: we formulated and announced our 2014-2016 Business Development Plan, which confirms our ambition and provides us with the resources to amplify our development in a radically changing world. It is clear that to succeed we have to position ourselves as “the bank for a changing world”, one that has the ability to adapt, change, act responsibly and know how to build on the changes in our world.

In line with this plan, early in 2014 we updated our Responsibility Charter which was first written in 2012 and which summarises the commitments we make to earn our customers’ trust. While BNP Paribas does not claim to be infallible, we want to recognise and fully meet our economic, social, civic and environmental responsibilities.

2013 was also marked by significant steps to embed our responsible policies into our corporate strategy as a whole:

- We have set 13 goals for 2015 in all areas of responsibility, and the corresponding management indicators are closely monitored;
- Extra-financial criteria are now factored into the variable compensation of 5,000 Group managers.

As we embark on our 2014-2016 Business Development Plan, we are proud to be a strong and resilient bank, close to our customers, resolute in our determination to support growth in the countries in which we do business and backed by the expertise, professionalism and commitment of our teams.”

# CONTENTS

**A global leader  
in banking**

**The BNP Paribas  
Responsibility  
Charter**

**Editorial  
"Meeting our  
responsibilities  
in a changing  
world."**

*Baudouin Prot, Chairman,  
and Jean-Laurent Bonnafé,  
Chief Executive Officer*



Interview

**02**

**"RECONCILING  
ETHICS AND  
AMBITION."**

*François Villeroy de Galhau*

Performance indicators

**08**

**2013  
PERFORMANCE**



Deployment

**12**

**STRATEGIC  
INTEGRATION  
OF CSR**



## Developments during the year

Developments in 2013 presented by area and commitment

Our economic responsibility

**FINANCING THE ECONOMY IN AN ETHICAL MANNER**

14



Our social responsibility

**PURSUING A COMMITTED AND FAIR HUMAN RESOURCES POLICY**

28



40

Our civic responsibility

**COMBATING EXCLUSION, PROMOTING EDUCATION AND CULTURE**

Our environmental responsibility

**COMBATING CLIMATE CHANGE**

52



### → DON'T MISS

22

**Interview**  
*Jean-Marc Boivin*  
Chief Executive Officer of Handicap International France.

32

**Interview**  
*James Gibson*  
Head of BNP Paribas HR for the Asia-Pacific region.

44

**Interview**  
*Philippe Maystadt*  
Minister of State and honorary President of the EIB. Chairman of the Board of Directors of microstart srl-fs.

61

**Interview**  
*Steven M. Tebbe*  
CDP Managing Director Europe.

Timeline

72

**MILESTONES IN OUR COMMITMENT**



Interview

# “RECONCILING ETHICS AND AMBITION.”

*François Villeroy de Galhau*

Chief Operating Officer, with responsibility for Domestic Markets and CSR at BNP Paribas



We are clear-sighted enough to have no illusions as to the persistent doubts in public opinion six years after the financial crisis was unleashed. And yet, this report shows that BNP Paribas intends to stay on course, year after year, actively championing responsibility rather than engaging in communication exercises.

We do not claim to be infallible, a fact that is simply stated in our updated Responsibility Charter, but we are as sincere as we are serious. We believe that a bank like BNP Paribas has economic responsibilities to its customers, social responsibilities to its staff, civic responsibilities to society, and environmental responsibilities. In each of these areas, we intend to demonstrate the same high professional standards and effectiveness that has stood us in good stead in our core banking businesses. CSR is an integral part of BNP Paribas' strategy: we now monitor results based on 13 key indicators, many of which are used to determine our managers' long-term compensation. Our targets for the future are built into our 2016 Business Development Plan, presented to the Board of Directors and then to investors and employees in March 2014.

2013 also saw the measures and progress which we are delighted

to present in this report—accelerated development of microfinance and social entrepreneurship. Our work in this area is a direct extension of financing for business, which means all businesses, regardless of their size and the diversity of their ideas. The bank's growing presence in this area in Europe has gained both attention and a measure of surprise, since some were of the opinion that microfinance was the prerogative of specialised mutual banks. Yet, with EUR 168 million already invested in 2013 and a target of EUR 220 million by 2016, we are one of the leading banks in this sector in Europe.

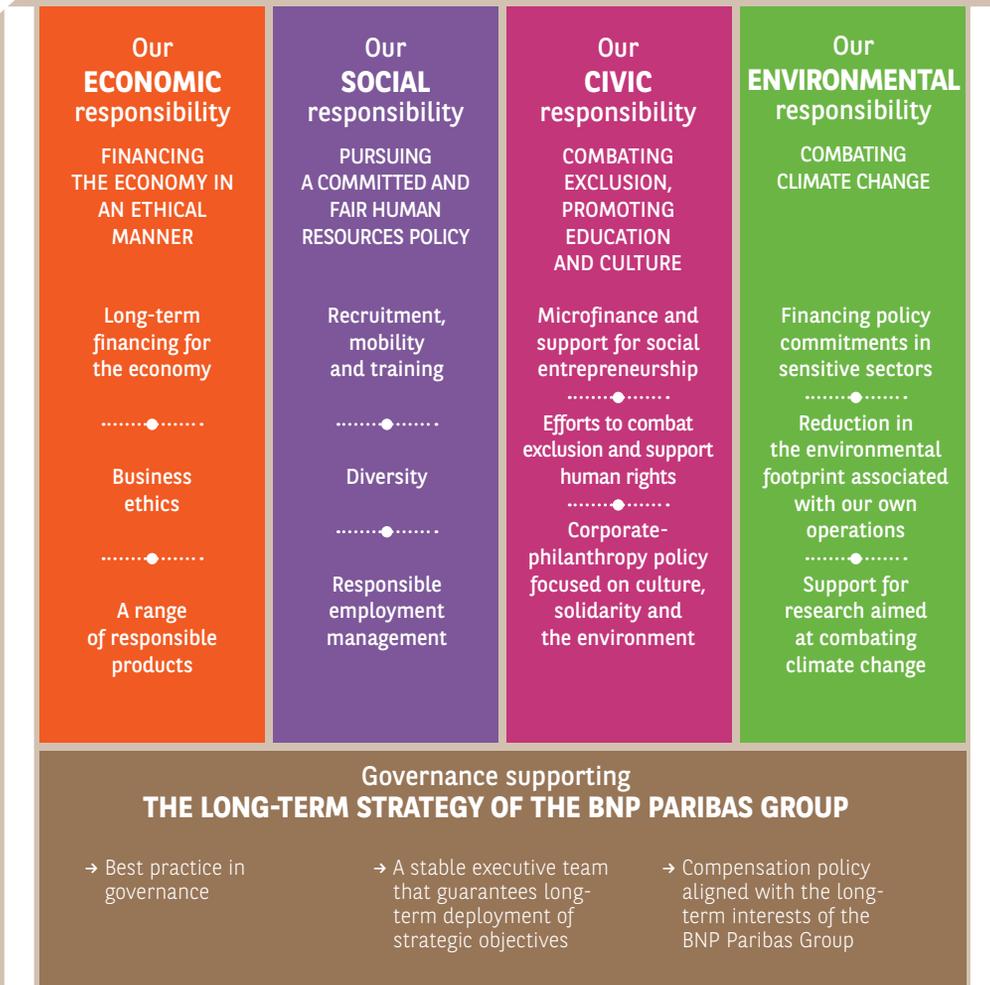
There was also the successful launch of the Rescue & Recover Fund: in a unique partnership between an international group and three international NGOs - CARE, the Red Cross and Doctors without Borders (Médecins Sans Frontières) - more than EUR 750,000 has already been collected to respond to humanitarian crises. And there was acceleration of our financial-education programmes for customers in our domestic markets, Turkey, Morocco and further afield. In contrast to the accusations of opacity and complexity levelled at banks, BNP Paribas aims to help our customers understand “a changing world”. Naturally, we have more to do, and our dialogue with NGOs and extra-financial ratings agencies helps us to make further progress. So yes, a bank can be responsible when it embraces its mission to finance its customers' projects and when it aims to reconcile ethics and ambitions. At BNP Paribas, we believe in this mission.



Our CSR vision

# A RESPONSIBLE BANK

4 pillars, 12 commitments





Our CSR vision



**“BNP Paribas’ CSR policy is a fully fledged and integral component of its business.”**

*Fields Wicker-Miurin*

Member of the Board of Directors of BNP Paribas and partner at Leaders’ Quest, London (United Kingdom)

**What are the standout features of CSR policy at BNP Paribas?**

Our goal at BNP Paribas is to be ‘the bank for a changing world’. This is a high aspiration, and requires both deep humility and great openness and inventiveness. For me, this is why our philosophy and approach to corporate social responsibility are so important.

BNP Paribas has designed its corporate social responsibility policy as part of its core business – not something separate. It is our work. Because it is an integral part of our long-term strategy, our CSR policy is a matter for the Board, and we review the Group’s progress through a CSR dashboard.

**Which commitment is dearest to you?**

As a social entrepreneur, I particularly support the commitment that BNP Paribas has taken in 2013 to help this emerging type of business model. Social entrepreneurs are already making a positive difference to society and I hope the Group will continue to strengthen its engagement with social entrepreneurs in the many markets where we operate.

We need to be clear about who we are as a bank and know what we stand for and believe in. What we are trying to do is not always easy, and we are learning all the time how to be better. Ours is a journey for the long term.

# BNP PARIBAS’ PUBLIC POSITIONS

## Fundamental and sector-specific public positions provide the framework for BNP Paribas’ approach to corporate social responsibility.

With a presence in 75 countries, BNP Paribas carries out its operations in full compliance with universal rights and principles, and as contributor to or active member of:

- the United Nations Global Compact (Advanced level); BNP Paribas is a committee member of the Global Compact France;
- the UN Women’s Empowerment Principles;
- the UNEP Finance Initiative;
- the Carbon Disclosure Project;
- the Roundtable on Sustainable Palm Oil (RSPO);
- Businesses for Human Rights (Entreprises pour les Droits de l’Homme, EDH)
- Businesses for the Environment (Entreprises pour l’Environnement, EpE);
- Businesses and Health.

## The Group participates actively in designing solutions and implementing long-term practices specific to the finance sector within the framework of:

- the Equator Principles;
- the Principles for Responsible Investment;
- the Institutional Investors Group on Climate Change;
- the Green Bond Principles.



Our CSR vision

### Finally, the Group also seeks to formalise its voluntary commitments through:

- a Responsibility Charter setting forth its commitments to earn the trust of its clients;
- a Commitment to the environment;
- BNP Paribas' statement on Human Rights;
- a policy of combating corruption;
- a Charter on responsible representation with respect to public authorities;
- the BNP Paribas suppliers' CSR Charter;
- Financing and investment policies for sensitive sectors:
  - defence;
  - nuclear power;
  - coal-fired power generation;
  - palm oil;
  - paper pulp;
  - mining;
  - oil sands.

## RECOGNITION BY EXTRA-FINANCIAL RATINGS AGENCIES



BNP Paribas is ranked one of the **Top 5 responsible banks in 2013 by Sustainalytics**. With a score of **75/100**, BNP Paribas is the leading French bank in the 2013 Sustainalytics ranking of 137 banks around the world.

## No.1 IN THE BANKING SECTOR FOR CSR

With a score of 63/100 in 2013, BNP Paribas is the banking-sector leader according to Vigeo.



**BNP Paribas is listed on the main CSR indices, such as:**

- DDJSI World
- Vigeo World 120, Europe 120, France 20
- FTSE4Good Index series
- UN Global Compact 100 Index
- Stoxx Global ESG Leaders.

Scoring 93A/100, BNP Paribas joins the Climate Performance Leadership Index and takes its place as the **highest-ranking bank in continental Europe** for its carbon-reduction strategy.



# OUR ECONOMIC RESPONSIBILITY

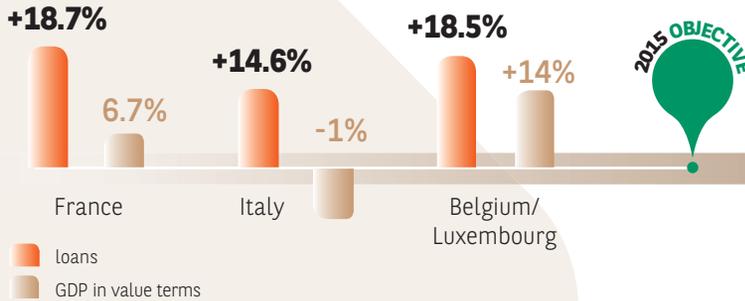


## Our key performance indicators



### → CUMULATIVE RATE OF GROWTH in lending since 2008

REMAIN ABOVE THE CUMULATIVE GDP GROWTH RATE SINCE 2008 (RATE OF GROWTH OF TOTAL AVERAGE OUTSTANDINGS)

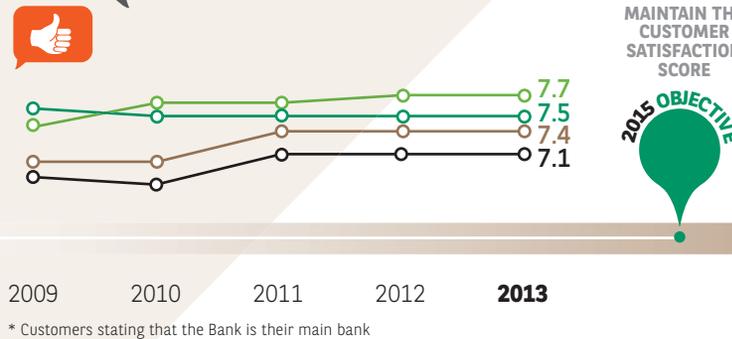


Lending by BNP Paribas in France, Belgium, Luxembourg and Italy in the period 2008-2013 rose at a faster rate than GDP growth in these countries. Despite a challenging economic environment in Europe, BNP Paribas continues to actively support economic growth in its domestic markets.



### → OVERALL SATISFACTION SCORES for individual customers\* in the four domestic markets

MAINTAIN THE CUSTOMER SATISFACTION SCORE



Customer satisfaction remained stable in 2013 compared with 2012 in the Group's four domestic markets. This good result in a tough economic environment demonstrates the commitment of staff to support our customers.

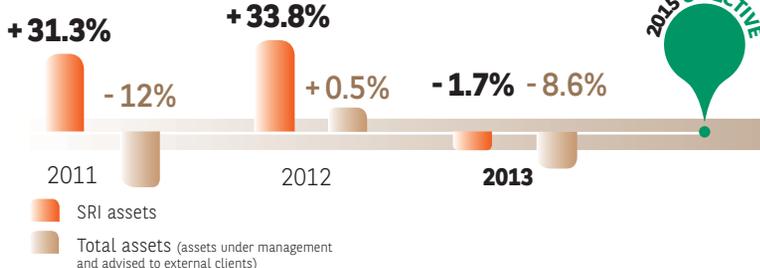
2009 2010 2011 2012 2013

\* Customers stating that the Bank is their main bank



### → ANNUAL RATE OF GROWTH in socially responsible assets under management (SRI)

SRI GROWTH RATE GREATER THAN THE RATE OF GROWTH IN TOTAL ASSETS UNDER MANAGEMENT



Amidst a net outflow of assets, SRI funds performed better than total assets under management in 2013. Substantial inflows of funds were recorded by BNP Paribas Wealth Management and in the French and Belgian networks for thematic products.

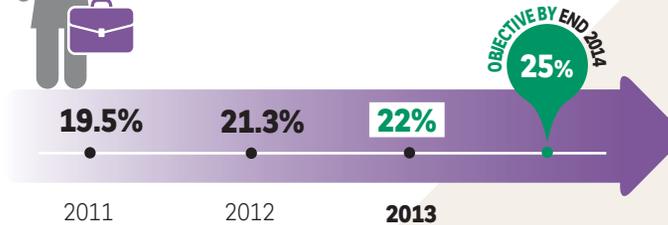


## Our key performance indicators

# OUR SOCIAL RESPONSIBILITY



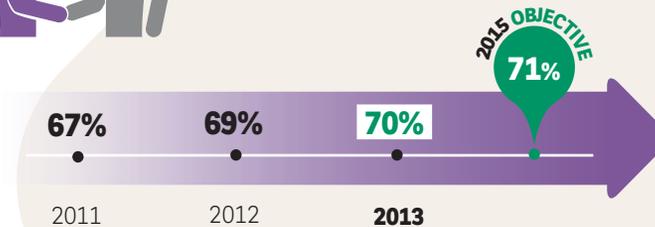
### → PROPORTION OF WOMEN appointed to senior management



Executive Management maintains its target of 25% of women in senior-management positions by the end of 2014, with a rate of 22% at the end of 2013. In 2009, the Chief Executive Officer had already committed to ensuring that women would occupy 20% of senior-management positions by end-2012, a target that has been exceeded.



### → PROPORTION OF EMPLOYEES with a positive opinion regarding implementation by the Group of the four Management Principles



In line with the 71% target set for by end of 2015, and as reflected in the internal Global People Survey, 70% of employees expressed a positive opinion regarding the practical implementation of the four Management Principles:

- Customer Focus
- Risk-Aware Entrepreneurship
- People Care
- Lead by Example.



### → NUMBER OF MOBILITY ASSIGNMENTS between units and business lines



This year, Human Resources management practices were focused on job mobility. The number of movements within the Group between units and business lines has consolidated and increased from 4,500 to 4,580. The target is changed to an annual average of 4,700 from 2013 to 2015, following an error in the 2012 baseline.



## Our key performance indicators

# OUR CIVIC RESPONSIBILITY



→ **AMOUNT OF GROUP SUPPORT for social entrepreneurship and microfinance**



In 2013, the Group decided to adopt a proactive approach to this high-growth sector, distinguished by its significant impact on local job creation and its strengthening of the fabric of society. All means have been used, from investment on the Group's own behalf to savings products aimed at this sector.



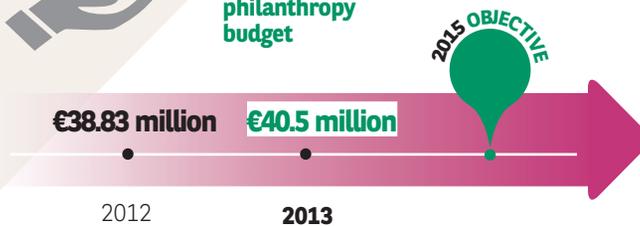
→ **NUMBER OF PEOPLE who attended financial-education programmes designed and/or run by the Group**



The goal of training 180,000 people worldwide in 2015 was exceeded in 2013 as the Group continued to roll out existing programmes in Europe (Straight Talk and EduCare) and launched new, dynamic initiatives, including the TEB Family Academy in Turkey, in which over 100,000 people received training during the year.



→ **SIZE OF THE BNP PARIBAS GROUP'S annual corporate-philanthropy budget** AVERAGE ANNUAL BUDGET 2012



Against a backdrop of scaling down costs as part of the Simple & Efficient plan, the budget allocated to corporate philanthropy was higher in 2013, a clear sign of the importance that BNP Paribas places on supporting issues of public interest in the countries where it has a presence.



→ **EMPLOYEES' OPINION on how the Group exercises its corporate social responsibility (an indicator summarising four questions)**

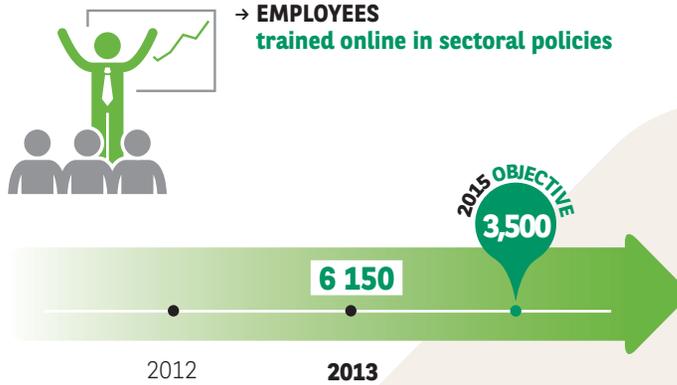


The percentage of employees with a favourable opinion regarding the implementation of CSR by the bank continued to rise in 2013, helped by the rollout of CSR policy in all countries and business lines, and by the commitment of managers to disseminate information on commitments and action undertaken.

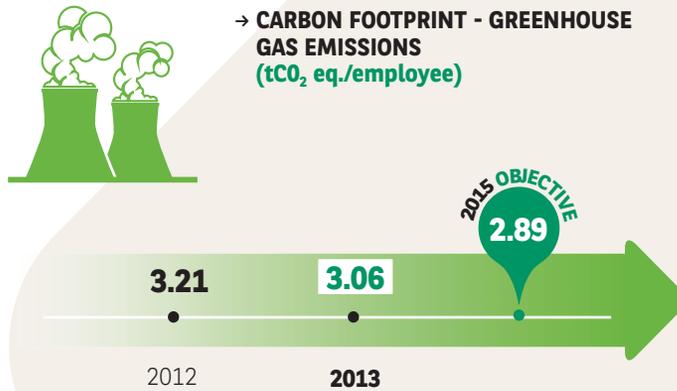
# OUR ENVIRONMENTAL RESPONSIBILITY



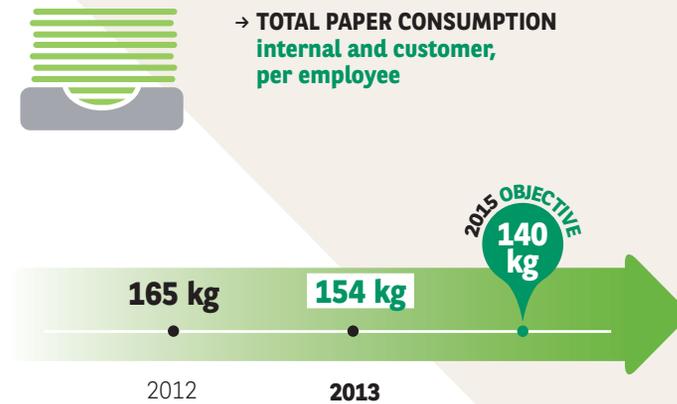
Our key performance indicators



In 2013, we exceeded our goal of training two-thirds of the 5,000 employees directly involved in financing and investment policies. In light of the importance of this issue, the online training module was made compulsory for all employees in some of the Group's entities.



We generate greenhouse-gas emissions through energy consumption in our buildings and business travel. We cut the ratio per employee in 2013 as a result of energy-efficiency measures in our buildings and the use of video or web conferencing. The bank is on course to achieve its 10% target reduction by 2015.



The reduction observed stems from campaigns to optimise the use of paper, such as the eco-awareness campaign deployed across the Group in 2013, and increased use of electronic media in relations with our retail-banking customers. The bank is on course to achieve its 15% target reduction by 2015.



Our responsible approach

# Strategic integration of CSR

The main challenge we faced in 2013 was to deploy our CSR policy as broadly as possible and to integrate it as part of the Group's strategy. To accelerate the process, CSR committees were set up in several entities and chaired by members of the Executive Committee. In addition, international seminars provided the forum for training sessions and the exchange of best practice. We value CSR as being of crucial importance and it is taken to the highest level in the company, a commitment demonstrated by the incorporation of CSR in the presentation of the Group's strategy during the AGM, and the report on our achievements in 2013 that was presented to the Board of Directors.

Laurence Pessez  
Head of BNP Paribas  
Corporate Social Responsibility



**“ Ethical and engaged guidelines.”**

Stefaan Decraene  
Head of International Retail Banking,  
member of the Executive Committee

“ It would be difficult to overestimate the importance of CSR for International Retail Banking, a business we conduct in countries with very different economic realities, including in developing countries, where financing of sensitive sectors is often a concern. We take great care to apply very specific financing and investment conditions in sectors with a high environmental and social impact, as set out in the Group's CSR sector policies. More generally, it is our duty as a responsible bank to define ethical and engaged guidelines to support our customers and suppliers in their endeavours. Accordingly, CSR officers have been appointed in all subsidiaries and meet annually. CSR is represented at the highest levels of our business by an IRB Executive Committee member, demonstrating the crucial importance of the issue for our entity. In this way, we strive to reconcile ambition and ethics, fostering and enriching dialogue with all internal and external stakeholders and working to play our part for the good of society.”

**“** In the next decade, our Asia-Pacific markets should continue to realise solid levels of growth. With this in mind, I believe that the right balance of ambition and sound ethics is crucial for our long-term success.

The ultimate goal of having a Regional CSR Council is to successfully integrate corporate responsibility concerns – economic, social, civic and environmental – into BNP Paribas’ values, culture, operations and business decisions in as consistent manner as possible, across all business lines and staff levels in Asia-Pacific.

The establishment of this Council clearly shows our motivation to give sense and direction to our growing CSR programmes in the region, already established at each country level. It is also meant to set the right “tone at the top”. As Chairman of this CSR Council, I ensure we have a diversity of members. Our CSR Council has 13 senior members representing a broad range of Businesses (CIB and IS), and Functions. We also have as members 2 Country Heads managing significant franchises like South-East Asia and India.

We take pride in being a responsible bank and are determined to meet our commitments”



**“** Imbuing our CSR programmes with meaning.”

Éric Raynaud  
Head of the Asia-Pacific region,  
member of the Executive Committee



**“** CSR at the heart of strategy.”

Marie-Claire Capobianco  
Head of French Retail Banking,  
member of the Executive Committee

**“2013** saw French Retail Banking embark on a unique process of dialogue with its customers and inspired by the Group’s CSR commitments and the “Our Mission, Our Responsibility” charter. A number of meetings were organised to exchange points of view on four major issues: supporting the economy, adapting to new technologies, anticipating changes in society, and creating social links. By opening the debate to people outside the bank, FRB welcomed input regarding opportunities for change in line with the Group’s CSR ambitions. More than 500 ideas resulted from the exercise. Forty of these were selected to shape future action and 12 will be implemented in 2014. The next step is to explain them to customers and staff so that they can take shape and form a legitimate basis for action. Some of these initiatives are fully aligned with the 12 commitments of the Group’s CSR policy, such as the decision to step up our support for social entrepreneurship or to develop a set of services for customers in financial difficulty.”



**BNP PARIBAS' PRIMARY VOCATION**

is to serve clients by creating long-term relationships and by helping them to realise their plans and projects.



Our  
**ECONOMIC**  
responsibility

*Financing the economy  
in an ethical manner*

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As a major player in the banking sector in 75 countries, BNP Paribas' primary vocation is to meet its customers' needs, in particular by financing the projects of individuals and businesses that drive economic development and job creation. The Group's financing capacity and the way it conducts its business have a direct impact on local economies. Aware of this economic responsibility, BNP Paribas mobilises its teams to promote development with added value for society, to work according to ethical business principles and to offer responsible products and services.



# Long-term financing for the economy

*In order to contribute to the creation of a dynamic global economy, the Group focused on three regions in 2013: Europe, in order to provide entrepreneurs with the means to succeed; in the United States, in order to respond to the high demand for credit facilities; and Africa, in order to help SMEs and contribute to financing national infrastructure projects.*

## BELGIUM: SUPPORTING BUSINESS CREATION



***In Belgium, BNP Paribas Fortis earmarked EUR 1 billion in loans to business.***

At the start of 2014, the bank launched a service offering that combines financial support with a network of partnerships to support business creation. Aimed at simplifying and encouraging business-creation, this new solution for entrepreneurs was launched in March 2014 and offers a “winning start” package with bank and non-bank benefits. It includes assistance ranging from choosing the most appropriate legal structure to contract preparation and free access to accounting software.



Belgium | Advertising campaign: “Saying it like it is”.



## ADVICE AND LOANS TO ENTREPRENEURS: ABOVE TARGET



**In France, the Group granted EUR 6.7 billion in new lending to finance 61,500 projects in the period July 2012 to end-June 2013.**

**Building on these results, BNP Paribas made seven new commitments in January 2014** under its "BNP Paribas Entrepreneurs 2016" programme, which is aimed at micro- and small businesses, which in turn are the key to kick-starting investment and job-creation. In addition to EUR 10 billion in new loans to finance a sharply increasing number of entrepreneurial projects (see the interview with Denis Laplane opposite), the Group is committed to stepping up its efforts to explain its credit decisions and to help 1,000 micro- and small businesses get established in markets outside France.



**"FOR 2014 WE HAVE RENEWED OUR COMMITMENT TO SUPPORT ENTREPRENEURS."**

*Denis Laplane*

Head of French Network Business Customers, member of the Executive Committee of French Retail Banking

2013 saw BNP Paribas further boost its commitment to business and business-creation by mobilising its network to generate new lending. The EUR 6.7 billion in lending for 61,500 projects was well in excess of our promised EUR 5 billion for 40,000 projects. Renewing our commitment for 2014, we will make EUR 10 billion in lending available to finance 100,000 projects, with a particular focus on innovation, women in business and social entrepreneurship.

## LUXEMBOURG: START-UP INCUBATOR

**In Luxembourg, BGL BNP Paribas supports 15 start-ups through the Lux Future Lab start-up incubator.**

The Lux Future Lab innovation hub was founded in 2012 by BGL BNP Paribas and is now one of the largest in the country. It is home to 15 companies employing around 100 people.



## FINANCING INFRASTRUCTURE IN RWANDA



Emerging markets | BNP Paribas contributes to economic growth by financing infrastructure projects.

*BNP Paribas played an essential role in conducting the **first bond issue** by the Republic of Rwanda.*

With the approval of the International Monetary Fund, the offering raised \$400 million and was nine times oversubscribed. The Rwandan government will use the proceeds for economic-renewal projects.

## SUPPORTING SMEs, A VITAL SECTOR IN AFRICA



*In Mali and Senegal, the Group guaranteed close to **4.5 billion CFA Francs** for local SMEs.*

In Africa, the Group was particularly active in supporting the economic development of the countries where it is present. BICIM in Mali and BICIS in Senegal (International Banks of Commerce and Industry) signed portfolio guarantees with the Agence Française de Développement (French Agency for Development) for nearly 1 billion and 3.4 billion CFA Francs respectively for SME financing.

## SHARP RISE IN LENDING IN THE UNITED STATES

*Business lending at Bank of the West **rose 9.6%** at constant scope and exchange rates.*

The bank was in a position to meet growing needs and play its role in revitalising business activity and investment through the mobilisation of teams and the strengthening of the sales network.



United States  
Bank of the West  
is a key business lender.

# Business ethics

*Protecting the interest of retail customers is a priority for the Group. In 2013, BNP Paribas introduced a raft of actions to inform customers, ensure transparency, improve marketing techniques, provide better follow-up and listen closely to customers. It also set up systems to monitor activities in some sensitive sectors or areas and to combat corruption.*

Commitment

## CONSUMER LENDING RECOGNISED AS RESPONSIBLE

*In 2013, Cetelem's "New Generation Revolving Loan" product offering was certified as "responsible" by Vigeo.*

Vigeo, the leading European extra-financial audit firm, analysed the loan, which will gradually replace the existing product, based on a comprehensive set of criteria: transparent information, advice provided during the marketing and loan-granting phases, verification of customer solvency, and suitability for customers throughout the term of the contract. **Customers have a flexible product that can optimise their cash flow.**

Going beyond the requirements of the Lagarde Act, Cetelem offers a choice among six repayment options. Customers can decide on the repayment period and benefit from the transparency regarding the cost. Moreover, they can easily switch between options and are notified by text message if a monthly payment exceeds a set limit.



France | Advice to customers during the loan process is a determining factor.

## CUSTOMER SATISFACTION GIVEN PRIORITY IN BELGIUM



*More than 150 measures to improve customer satisfaction were introduced, and nine best practices were presented at the 2013 Quality Reality Day.*

Improving the handling of claims and the inclusion of quality criteria in audits were top of the agenda for the Quality Reality Day, which focused on continuously improving quality in the bank. As a result, and despite the continuing economic tensions, the overall customer satisfaction score was 7 (on a scale of 0 to 10) in 2013, up from 6.7 in 2010.



## UNITED STATES: FLEXIBILITY IN RESPONSE TO GOVERNMENT SHUT-DOWN

*Bank of the West reacted as the US federal government ground to a temporary halt* by granting one-month deferrals on loan repayments and one-month forbearance on mortgage repayments.

## 400 CUSTOMER SATISFACTION INITIATIVES IN 32 COUNTRIES

*Five years after it was introduced in France, BNP Paribas Cardif's Customer Centric Program was rolled out in 32 countries in 2013.*



The programme was rolled out in each country in the form of action plans and initiatives to improve customer satisfaction. Close to 400 were implemented, including redrafting documents in plain and easily understandable language, removal of exceptions, introducing customer-satisfaction surveys, and more.



## UNDERSTANDING BANKING PRODUCTS

*In France and Belgium, financial-information sessions were once again offered to individual customers to aid their understanding of banking products.*

**BNP Paribas continued to offer its “Straight Talk” workshops in France**, first introduced in 2011 for existing and potential customers. The employee-led workshops are free, informative and cover a range of topics. Close to 3,500 workshops have been organised, with 670 in 2013 on the new topic of “Preparing for Retirement”. All materials were developed in collaboration with La Finance pour tous (Finance for Everyone) a community organisation that educates the public on banking matters.

**In Belgium, BNP Paribas Fortis introduced “Easy Bank” in 2013** along the same lines. Like its French counterpart, the initiative met a real need and the 300 information sessions attracted more than 2,100 participants.

## EXCEPTIONAL PROVISION

*BNP Paribas financial statements also include this year a \$1.1 billion provision, or EUR 798 million, related to the retrospective review of US dollar payments involving parties subject to US economic sanctions.*

## PREVENTING CONFLICTS OF INTEREST IN GERMANY



*Cortal Consors publicly discloses the remuneration policy of its advisers and passes any commissions received from asset managers on to customers.*

The European leader in online savings and brokerage for individuals divulges this information to avoid any conflicts of interest.



## “Controversial weapons: BNP Paribas will push its exclusion policy to the limit.”

Jean-Marc Boivin  
Chief Executive Officer  
of Handicap International France.

### **Why is Handicap International interested in index-linked asset management?**

While real efforts are being made by many financial companies, French ones in particular, to stop investments in firms manufacturing cluster bombs (CBU), the majority still declares that index fund management cannot be covered by their exclusion policy. This is a real weakness in the application of the ban on these investments since these funds account for an increasing share of the assets managed by these groups. If the exclusion is not applied to index funds, financial groups in countries that have banned cluster bombs, such as France, will continue to partly support the manufacture of the weapons and therefore the devastating consequences for civilian populations.

### **What is your opinion of the approach adopted by BNP Paribas Investment Partners?**

This is really good news. We know that BNP Paribas takes the ban on financing manufacturers of CBUs very seriously and we have had many discussions on the issue over the past few years. The fact that the Group has taken this step shows its determination to push its exclusion policy to the limit. Of course, it also sends a strong signal to the rest of the

financial community. We were told only a few years ago that whereas it would be technically feasible to apply an exclusion policy to index funds, the complexities involved would make it practically impossible to implement. Now that a major international financial company like BNP Paribas has shown that this can be achieved, the others have no excuse!

### **What are the next steps?**

First of all, the bank is excluding only one range of products. The ban needs to be extended to other products currently offered. Then, other financial-sector players in the domestic and European markets should take their inspiration from this stance and choose only indices that exclude manufacturers of cluster bomb munitions. Of course, for this to happen, the index managers must offer indices guaranteeing this exclusion. If financial firms make this a requirement, we should see an increase in the number of index funds that exclude CBU manufacturers, which will in turn make it easier to apply these measures.

### **ALL ABOUT...**

#### **THEAM**

The BNP Paribas Investment Partners partner specialising in index investments, THEAM is the first industry player to adopt indices that exclude controversial weapons for its range of open-ended index funds.



## ENTITY CLOSURES

*BNP Paribas continued to withdraw from some countries considered to be tax havens.*

The statistics on the bank's presence in tax havens and reported in the media are based on the unofficial list published by the Tax Justice Network. This list includes certain jurisdictions such as some of the Group's domestic markets or large,

international financial centres. BNP Paribas has continued to make significant reductions in its presence in some non-OECD countries which may be considered as operating favourable tax regimes. As of end-2013, the Group no longer has a presence in the Dutch Antilles, Uruguay or the Bahamas. BNP Paribas' choice of locations is dictated by economics rather than tax considerations. This is reflected by the Group's effective tax rate in 2013, which was 34%.

## FOR TRANSPARENT LOBBYING



World | Ethical principles underpin all dealings with public authorities

*BNP Paribas made a commitment to Transparency International France in February 2014 in favour of transparency and integrity in lobbying.*



BNP Paribas and seven other members of Transparency International France signed a public declaration on transparent and responsible lobbying. The parties to the declaration undertook to engage in lobbying activities in accordance with the principles recommended by the organisation. BNP Paribas' support for the declaration is consistent with its 2012 Charter on responsible representation with respect to public authorities. The Charter enshrines the principles of ethics and transparency in all dealings with public authorities. It applies to all employees Group-wide and comprises a set of basic commitments to integrity, transparency, social responsibility and respect for major universal democratic values.



## A range of responsible products

*In 2013, BNP Paribas continued to develop its range of responsible products and services for individuals and institutional investors. The process of integrating environmental, social and governance (ESG) criteria into its savings and loan products was maintained, thus allowing the bank exclude investments in companies whose practices do not conform to its responsible investment criteria. At the same time, the Group enlarged the range of products aimed at more vulnerable and underbanked populations.*

### 27 ACCREDITED SRI FUNDS



*SRI 'labels' support BNP Paribas Investment Partners' long-term commitment to expanding and promoting its range of best-in-class and thematic SRI products*

**Ten funds were awarded the Novethic label**, certifying a transparent SRI management process that integrates ESG criteria when selecting portfolio assets.

**Four funds received the Novethic Green Funds label.** Introduced in 2013, this label recognises thematic funds which invest in companies delivering significant environmental benefits.

**Four funds were awarded the EnvironmentLuxFlag label** for their

major involvement in the environmental sector and their high level of investor transparency.

**Four funds received the Finansol label** for their investments in social entrepreneurship and microfinance.

**Five were awarded the CIES** (Comité Intersyndical de l'Épargne Salariale) label dedicated to employee-saving plans.

## CLOSE TO EUR 20 BILLION IN RESPONSIBLE ASSETS\*

At French Retail Banking, **40%** of financial savings were channelled into "responsible savings" products.

In 2013, the amount of SRI assets managed by BNP Paribas Investment Partners declined by a slight 1.7% compared to 2012. SRI funds saw more dynamic inflows than for other products, reflecting their appeal for individual as well as institutional investors. SRI assets managed by BNP Paribas Wealth Management clients doubled in a year and a half, to reach EUR 2 billion at the end of 2013.

\* At 31/12/2013

## GLOBAL PRIVATE BANKING AWARDS



*For the second year in a row, BNP Paribas Wealth Management earned the "Best Private Bank for Philanthropy Services."*

Selected from the 103 participating private banks, the distinction was awarded in 2013 for the second consecutive year at the fifth annual Global Private Banking Awards, an event organised by magazines Professional Wealth Management and The Banker (Financial Times Group).



Switzerland | Global Private Banking Awards ceremony



**"Investing in companies that help to build a more responsible economy."**

Jan Van Extergem

Head of Individual Customers

Sint-Niklaas Noord branch group, BNP Paribas Fortis

### What are the main features of the 20/20 SRI product?

It is an innovative bond that offers individual customers the opportunity to invest in socially responsible European equities with the assurance that all funds will be used to finance the social and solidarity-based economy. In terms of return, customers are guaranteed their capital on maturity, and enjoy 100% of the performance of the 30 ethical and socially responsible European equities making up the Ethical Europe Equity index. This is a simple, transparent and safe investment product.

### What do you think was the main attraction of this very successful product?

One important advantage of the product is the simple and clear explanation of how the bank would put the investment to responsible use. The fact that the funds are invested in socially responsible projects, notably those certified by Ethibel Forum, is a key argument for our customers. By investing in the SRI bond, they are investing in companies that help to build a more responsible economy. The risk profile is moderate: customers are guaranteed their capital at the end of the seven-year term, and there is good potential for profitable returns. Lastly, the innovative nature of the product differentiates us from our competitors.

### ALL ABOUT...

#### SRI 20/20 IN FIGURES

In 2013, a total of EUR 96.3 million was invested in the SRI bond by 11,320 customers.



World | BNP Paribas signed the Green Bond Principles that constitute guidelines for financing green bonds.

## SIGNATURE OF THE GREEN BOND PRINCIPLES

***BNP Paribas appointed a Sustainable Capital Markets manager to advise clients and meet the growing interest in sustainable, fixed-income assets.***

The appointment demonstrates the bank's firm commitment to sustainable financing and investment. It builds on the Group's signature in early 2014 of the Green Bond Principles which aim to

guarantee transparency, objectivity and fluid dissemination of information in the green bond market- and thereby reinforce its credibility.



ENTITLED TO CREDIT, EVEN ON FIXED-TERM CONTRACTS



A total amount of EUR 40 million was loaned to **5,839** customers on fixed-term contracts by BNP Paribas Personal Finance in 2013.

Extending the initiatives launched in the past few years, BNP Paribas has rolled out innovative products and services designed especially for vulnerable customers or those with particular needs. A pioneer in this area, Cetelem has offered personal

loans to young people working on fixed-term work contracts since 2011. The loans enable them to start out on their professional life. The term, interest rates and repayment schedule are tailored to the customer's budget.

AFRICA: SIMPLER ACCESS TO BANKING SERVICES

*BNP Paribas has developed products and services to combat the low rate of access to banking services, which in turn hinders the development of African economies.*

**These simplified banking services are provided at prices well below those charged for the usual packages.** In Senegal, Côte d'Ivoire, Mali and Burkina Faso, 42,104 customers signed up to the "Pack Trankil" in 2013. The package costs EUR 1.50 a month and includes a bank account, a withdrawal card, a text-messaging service for secure, remote monitoring of accounts services at a customer relations centre. In a similar move, the "Pack Mertah" was launched in 2011 in Morocco. It had 2,383 customers at end-2013.

**The mobile network is an important factor in increasing access to banking services** in countries where access is still low. BNP Paribas has therefore entered into partnerships with telephone operators in Africa which offer a mobile money-transfer service. At end-2013, these mobile banking services were used by more than 5.3 million customers in Africa.

Morocco | BNP Paribas promotes access to banking services





**BNP PARIBAS FULFILS  
ITS SOCIAL RESPONSIBILITY**

in the 75 countries in which it operates.  
In Asia, the strategic management  
of human resources is essential to  
support the Group's growth ambitions  
in the region.



# Our SOCIAL Responsibility

## *Pursuing a committed and fair human resources policy*

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As a socially responsible employer, BNP Paribas is committed to acting fairly towards its 185,000 employees and to ensuring high-quality dialogue between management and employees. The Group continues to outperform its targets for new hires and promotes internal mobility and training. Firmly committed to respect for the individual and diversity, Human Resources focused on internal mobility in order to meet employee expectations. As part of its solidarity-based approach to employment management, the Group always gives priority to retraining and the development of talent at every level.

# Recruitment, mobility and training

Commitment

*In a demanding environment, BNP Paribas has consistently remained a top and attractive employer. The Group continued to increase its headcount in 2013 while promoting internal mobility. It once again recruited above its ambitious targets, with a total of 18,000 new hires. At the same time, training and developing all employee skills are of major concern to the Group.*

## TOP EMPLOYER EUROPE



*BNP Paribas obtained **5 local certifications** in Belgium, France, Italy, Poland and Turkey in 2013, and was awarded **Top Employer in Europe** status in 2014.*

The Top Employer certification in Europe is in addition to other distinctions: in Poland the bank was awarded the 2013 "Employer Branding Excellence" prize and the top ranking in the Perfect Internal Image Campaign. In France, BNP Paribas is still the top bank cited by students.

## 18,553 NEW HIRES WORLDWIDE



*The highest recruitment numbers are for the **United States, Turkey, India and Ukraine.***

The Group easily exceeded the commitment it made in 2012 to hire more than 15,000 people per year. The highest recruitment numbers are for the United States, Turkey, India and Ukraine. In Europe, which accounts for 54% of new hires, France topped the list, adding 1,585 people to its headcount, followed by the United Kingdom and Germany. Nonetheless, developing people's employability through internal mobility and training is given priority before any new recruitment from outside the company.



Tunisia | The e-jobs platform has been rolled out in 36 countries, including Tunisia.

## INTERNAL MOBILITY AT THE HEART OF HR POLICIES

*The number of positions advertised rose 18% in 2013 and those filled internally rose 28%, with the increase most noticeable in France and the United Kingdom.*

Internal mobility has become the focus for meeting the growing need for a rich and varied career and is a key resource for Human Resources. Internal mobility tools, including e-jobs which publishes details on

positions vacant in the BNP Paribas Group, have been rolled out in 36 countries with a coverage rate of approximately 77% of Group employees. Numerous measures have been introduced to bolster this approach. For example, France now has a centralised process for its eight functions to simplify cross-sector mobility. This approach increased the number of positions filled internally in France in response to advertisements by 45%.

The share of positions filled internally represents 33% of the total. The e-jobs platform has been rolled out in 36 countries, including Tunisia.



## “Supporting the Group’s ambitions in Asia-Pacific.”

*James Gibson*  
Head of BNP Paribas HR  
for the Asia-Pacific region

### **What are the main HR challenges for BNP Paribas in the Asia-Pacific region over the next 3 years?**

In 2013 the Group announced the APAC Development Plan with the goal of increasing revenues by EUR 1 billion over 3 years. Our Human Resources strategy is a core component of this Plan. Asia-Pacific presents the Group with a unique set of HR challenges due to the region’s geographical breadth, its cultural diversity and the agility required to operate in some of the world’s most dynamic markets. Although we have been successful to date, the greatest market challenge remains identifying, attracting and retaining the talent necessary to ensure our future success whilst maintaining the unique BNP Paribas DNA.

### **How have you addressed these challenges?**

In the APAC Development Plan we have identified a number of core areas where we look to transform regional practices. These cover specific actions in: Diversity & Inclusion; Talent Management; Recruitment Practices and notably Learning & Development. In September 2011 the Group took the decision to build the Asia-Pacific

Campus in Singapore. The Campus was completed on time and opened its doors in January 2014. We aim to provide training and development opportunities to over 3,000 people per annum with a range of courses drawn from the existing global offering combined with tailor-made learning paths specifically developed to meet the unique demands of Asia-Pacific.

To support the Group’s ambitions in the region, our people strategy will be pivotal to success. Tangible commitments, such as the APAC Campus, will give us and our employees the competitive edge to grow together.

### **ALL ABOUT...**

#### **BNP PARIBAS IN ASIA-PACIFIC**

BNP Paribas’ presence in the Asia-Pacific region dates back more than 150 years. With a presence in 14 countries and more than 8,000 employees, the Group is one of the leading international banks in the region.



**148,000 EMPLOYEES TRAINED**

*BNP Paribas opened a new "Campus" in Singapore.*



The bank delivered 4.7 million hours of training to employees in 2013, on average 25 hours' training per employee. As an international and rapidly growing Group, the dissemination

of the bank's corporate culture, values and management principles is an essential component of employee training. BNP Paribas opened its second "Campus" in Singapore in January 2014. It joins the campus in Louveciennes, outside Paris, the many local and regional training centres, the shared services centre in Côte d'Ivoire, and the two Group Academies (Risk and Management).

**MORE THAN 440,000 E-LEARNING MODULES COMPLETED**

*Almost 50% of programmes concerned topics related to risk.*



The Group's e-learning programme was beefed up with 1,440 new modules. It now offers 2,785 modules, in seven languages, available to all employees. 67% of users completed more than one module and 15% more than ten. Most popular were modules dedicated to risk (43%), business techniques (32%) and corporate culture (11%). Other innovative formats were also introduced, including "blended learning", in which the same content is approached from different points of view (instructor-led, virtual sessions, etc.) and learning expeditions, as the immersion of a team in a different environment.

**TURKEY: AWARD-WINNING 'EDUTAINMENT' PROGRAMME**

*TEB, the Group's subsidiary in Turkey, won silver in the "Best Use of Games for Learning" and bronze for "Best Custom Content" in the 2013 Brandon Hall Awards.*

The awards recognise excellence in devising fun e-learning programmes for the development of managerial techniques and are the most prestigious awards in the training world. A cross between simulation and games, the edutainment programme "A day in the life of a professional: a story about professional standards" takes employees off on a spaceship, where they must pass eight management levels based on real-life scenarios.



Turkey | Online training is a focus at TEB, especially for managers.

# Diversity

Commitment

*People care and respect for all differences: this is the key founding principle of BNP Paribas' diversity policy. It means combating any form of discrimination and promoting diversity through a range of actions. Group policy is translated by local or regional entities, communicated to teams, and often linked to training or awareness-raising exercises.*

## DIVERSITY AND NON-DISCRIMINATION: VIGEO RANKS BNP PARIBAS TOP PERFORMER



*BNP Paribas was named top performer 2014 among **1,665** companies rated by Vigeo worldwide.*

The rankings, launched as a partnership between Vigeo and Euronext, were unveiled to coincide with the 2014 International Women's Day. BNP Paribas provides the highest levels of assurance regarding its determination and capacity to prevent discrimination and promote equality of opportunities and women's rights, internally and within its sphere of influence. BNP Paribas was the top scorer for diversity, with 93/100, far above the average for the 1,665 companies rated worldwide: the global average was 37/100 and the European company average was 42/100. As one of its 12 CSR commitments, BNP Paribas has set itself a target of women holding 25% of senior-management positions by end-2014 (16% in 2009).



Aung San Suu Kyi and Christine Lagarde at the Women's Forum in Myanmar, December 2013.

## ASIA: BNP PARIBAS PARTNERS WOMEN'S FORUM IN MYANMAR

*As a sponsor of the Women's Forum, held in December 2013 in Myanmar, BNP Paribas contributed to the success of what was an unprecedented international event for the country.*

The aim of the forum is to put women's views first, strengthen their influence, and promote gender equality. Nobel laureate Aung San Suu Kyi and Christine Lagarde, managing director of the IMF, stressed that the education of women and their active participation in the economy can be an essential factor in the democratic and economic development of the country. BNP Paribas sent experts in microfinance, socially responsible investment, business creation and sustainable development to raise awareness and foster cooperation among the 300 Burmese delegates, as well as help them in their aid and development projects.



## “Diversity is a collective success factor”

*Rosa Sacre*

Head of Special Situations and Recovery & Diversity Officer, International Retail Banking (IRB)  
IRB is present in 15 countries in Europe, Africa and the USA.

### How does your commitment to diversity manifest itself in practice?

I have always been convinced of the importance of diversity for companies. For me, it contributes to both personal development and collective success. In IRB, this is all the more true as we operate in a huge variety of countries in Europe, Africa and the US. Managing diversity issues is therefore essential to help us better understand our employees and customers throughout the world. My role as Diversity Officer gives me a global overview of diversity policy, which I can then apply and propagate more widely throughout IRB.

### What are the characteristics of the Diversity action plan launched by IRB at end-2012?

Starting from the Group's Diversity governance policy, we decided to focus on two strategic objectives: equal opportunities for men and women and the internationalisation of staff, while still leaving to countries other issues that are locally relevant.

To deploy this policy and identify local issues, we also set up a network of diversity correspondents in all countries where IRB is active. These consist of HR representatives and managers from the business lines working together.

#### ALL ABOUT...

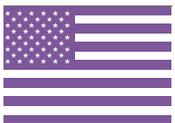
### THE GROUP DIVERSITY COMMITTEE

Its membership consists of 28 Diversity Officers. The committee meets twice a year, with the HR Manager of the BNP Paribas Group sitting in, to discuss cross-Group issues such as equal opportunities for men and women.



World | 265 people with disabilities were recruited in 12 countries in 2013.

## COMMITMENT RECOGNISED IN THE UNITED STATES



*In the United States, the Human Rights Campaign named BNP Paribas Corporate and Investment Banking (CIB) “The best place to work for LGBT<sup>(1)</sup> equality” for the second year running. BNP Paribas achieved a score of 100%.*

(1) Lesbians, Gays, Bisexuals and Transexuals.

## 2,900 EMPLOYEES WITH DISABILITIES IN 25 COUNTRIES

*In Italy, BNL has adapted the workstations of all partially sighted employees.*

Of the 2,900 employees with disabilities, 265 were recruited in 12 countries in 2013. Figures show better quality reporting in 25 countries (compared with 17 in 2012) and positive actions taken in a number of countries.

In France, the sustained application by BNP Paribas SA of the second disability agreement (2012-2015) led to 91 hires in two years, 262 employees kept in work in 2013, and 810 support measures linked to training and awareness-raising. In Belgium, BNP Paribas Fortis prioritised the bringing of students with disabilities into the company. In Italy, BNL adapted the workstations of all partially sighted employees, while in the United States, BNP Paribas CIB held a mentoring day for students and jobseekers with disabilities.

# Responsible employment management

Commitment

*BNP Paribas' employment policy prioritises internal job mobility and training while encouraging high-quality dialogue between management and employees. In its four domestic markets, where the scale and diversity of the businesses allow, the Group continues to rule out compulsory redundancies.*

## NO COMPULSORY REDUNDANCIES IN THE FOUR DOMESTIC MARKETS



*Stringent application of the 2012 European agreement on employment management led to a number of agreements and the application of internal mobility.*

In France, a collective agreement was signed (see next page).

In Belgium, the reorganisation begun in previous years at BNP Paribas Fortis continued in 2013 and reduced the headcount by around 5%. As well as normal and early retirements, the company applied an active internal-mobility policy that enabled BNP Paribas Fortis to hire 276 new employees. These changes were made in strict compliance with contractual employment guarantees, collective agreements and the Group's employment-management policy.

In Italy, BNL's headcount was also trimmed by retirement and early retirement, a favourable age pyramid in the bank and a high level of mobility within the Group. Despite this trend, BNL welcomed 324 new recruits, 160 of them hired on permanent contracts and 164 upgraded from fixed-term to permanent contracts. Meanwhile, a new drive extended employee dialogue to countries that do not have representative bodies and introduced professional appraisals and career-management interviews.



**“170 young graduates were hired in Italy.”**

*Gabriella Serravalle*  
Head of Human Resources,  
BNL, Italy

**The Group undertook not to make compulsory redundancies in its four domestic markets. How did that work in Italy?**

In 2013, 500 people took early retirement, or retired at the usual age, while 170 young graduates were recruited. At BNL we have also encouraged intra-Group mobility by welcoming more than 200 employees from other entities and supporting more than 2,700 who wanted to move. This not only allowed us to develop opportunities for horizontal moves but also to create a better cultural mix within the Group.

**How does BNL promote women in management?**

The number of women in management is rising and women now make up 43% of BNL's headcount, but we need to make an effort to reach the 25% target for women senior managers. For two years we have been emphasising equal opportunities. Among staff identified as high-potential, 42% are women. Among young, talented employees, the figure is 54%. We have also created a Leadership & Diversity programme which encourages dialogue among members of the BNL Executive Committee and high-potential women; it also instigates leadership and individual coaching workshops. It includes 48 women managers, 10% of whom have gone on to become senior managers and 17% executive managers. 50% have changed jobs, developed their network and enriched their skill sets.

**ALL ABOUT...**

**BNL AS SEEN BY ITS EMPLOYEES**

According to the annual internal Global People Survey (GPS) 77% of BNL employees see it as a responsible bank. Employee expectations mainly relate to diversity, remuneration, career management and opportunities to progress.

**FIRST GROUP AGREEMENT ON EMPLOYMENT MANAGEMENT IN FRANCE**

*On 7 October 2013, the Group formalised its commitment to employment in France by signing an agreement with three unions.*



This was a genuine collective agreement, signed by the CFDT, CFTC and FO unions. It seeks to avoid compulsory redundancies during reorganisations and ensure that each employee can find or retain a long-term job. It lays special emphasis on internal

mobility and defines cases where voluntary redundancy plans can be applied.

“Generation Contracts” were also signed with employee representatives by all entities in France. They cover issues such as the recruitment of young people, work-study contracts, migration from apprenticeships to permanent contracts, job retention, recruitment of seniors, and retirement packages.

**82% OF GROUP EMPLOYEES HAVE EMPLOYEE REPRESENTATIVES**

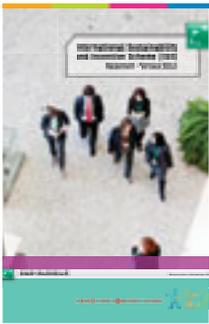
*This figure covers 31 countries, including outside the EU: Algeria, Senegal, Chile, China, Japan, Ukraine and Turkey.*

Following 3,000 official meetings around the world between employee representatives and/or union delegates and management, 214 collective agreements were signed in 13 countries. These agreements, covering 72% of the workforce, address issues as varied as compensation and benefits, employment, the workplace organisation, governance of employee relations, health and safety at work, disability and diversity. Outside Europe, collective agreements were negotiated in Morocco, Tunisia, Argentina, Brazil and India in 2013.



## EXTRA-FINANCIAL CRITERIA IN VARIABLE COMPENSATION

**20%** is now  
conditional on meeting  
CSR targets.



In 2013, BNP Paribas introduced an incentive plan to promote loyalty and motivate the Group's management. This innovative plan integrates extra-financial criteria into the long-term variable compensation offered to 5,000 Group managers: 20% of the incentive plan is conditional on meeting CSR targets. Eight of the criteria selected are based on the Group's four CSR pillars: economic (growth in SRI assets under management); social

(percentage of women senior managers, application of the four management principles, inter-entity and inter-business job mobility); civic (number of beneficiaries of financial-education programmes, corporate-philanthropy budget) and environmental (CO<sub>2</sub> emissions, paper consumption). The ninth Group-wide criterion relates to employee perceptions of how the Group demonstrates its responsibility.

## STRENGTHENED SOCIAL PROTECTION



*BNP Paribas has put in place **additional benefits** for employees and their families in more than 30 countries.*

Outside France, more than three-quarters of employees in entities with headcounts above 150 have additional healthcare; more than half have life insurance or disability cover. Most also enjoy an additional pension plan. Beyond the legal obligations governing health and safety at work, entities in 11 countries have agreements on employee health and safety (covering 51% of total headcount), and take other protective measures in 18 countries. Entities in 35 countries have undertaken action, training and measures to raise awareness of stress and psycho-social risks covering 80% of the workforce.

## 84% OF EMPLOYEES PROUD TO WORK AT BNP PARIBAS

*The Global People Survey, the annual internal survey, recorded a **record response in 2013 - 74%** - or more than **128,000 responses** from employees in **69 countries**.*

Its results confirmed the strong and deeply rooted long-term commitment of employees to the company. Aside from the massive endorsement of corporate values, shared by 80% of those replying, over the last three years 84% have confirmed that they are proud to work for the bank. Meanwhile, 71% had confidence in management and endorsed the Group's ambitions and objectives. The survey also showed rising approval rates for the Group's approach to diversity, to 65%, and the environment, to 77%.



World | 84% of employees are proud to work for BNP Paribas.



THANKS TO THE SUPPORT OF BNP PARIBAS, more than 133,000 micro-entrepreneurs in emerging markets, 79% of them women, have been able to take out micro-loans.

# Our CIVIC Responsibility

*Combating exclusion,  
promoting education  
and culture*

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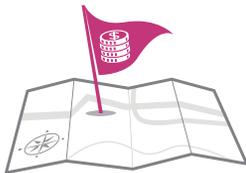
As an employer in underserved urban areas, as a socially aware bank that seeks to combat financial exclusion, as a partner committed to culture, solidarity and the environment and as a company committed to the promotion and respect of human rights, BNP Paribas contributes to sustainable and harmonious social development. Wherever the Group works, it uses all means at its disposal to promote these aims.

# Microfinance and support for social entrepreneurship

Commitment

*BNP Paribas has long been involved in loans to microfinance institutions in mature and emerging markets. In 2013 it strengthened its commitment by engaging in the fast-growing social entrepreneurship sector, which is having a large impact on job-creation and social cohesion. Social enterprises are economically viable businesses whose social objectives take priority over financial ones since most of their profits are reinvested in the company itself.*

## 30 MICROFINANCE INSTITUTIONS IN 19 COUNTRIES



***The Group's Executive Committee has approved a new strategy to expand support to microfinance.***

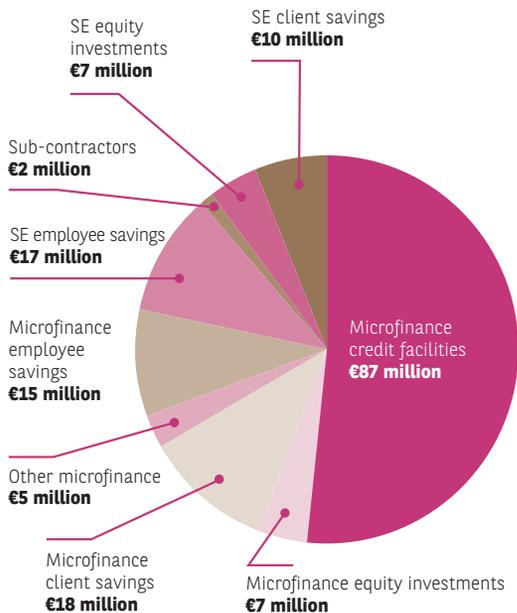
**The Group's new microfinance strategy** — direct funding to microfinance institutions in the countries where the bank operates or via microfinance funds elsewhere — resulted in a 173% increase in loans in mature markets and a 26% increase in emerging markets in 2013.

EUR 87 million in credit facilities were granted in 2013 and renewed refinancing of 30 institutions in 19 different countries. These facilities allowed more than 150,000 micro-entrepreneurs to take out a micro-loan, 75% of them women.



## EUR 200 MILLION FOR SOCIAL ENTREPRENEURSHIP BY 2015

EUR 168 million in favor of microfinance and social entrepreneurship (SE)\* in 2013.



\* Excluding loans to social enterprises

**BNP Paribas used means at its command to support this sector in its four domestic markets.**

The Group has set an ambitious objective: providing up to EUR 200 million by 2015. BNP Paribas used all means at its command to support this sector in its four domestic markets: equity investments in funds supporting social enterprises, solidarity-based employee-savings schemes, impact investment products for customers, outsourcing contracts awarded to companies in the assisted sector, etc. The company Flexpack, which appears on the cover of this report, is a social enterprise and customer of BNP Paribas Fortis in Belgium.

## A LENDING POLICY TAILORED TO SOCIAL ENTERPRISES

**To ensure it is offering an appropriate response to social enterprises, BNP Paribas developed a specially tailored credit policy** with an adapted risk analysis. For instance, it takes into consideration their typically lower profitability and capitalisation, integration in the local ecosystem and their relationships with partners that can provide guarantees and technical assistance.

## BENEFITING 26 EMERGING MARKETS

**In 2013, BNP Paribas Fortis invested an additional EUR 7.5 million in the microfinance fund RIF II.**

Across 26 countries in emerging markets, the Group contributes to the financing of microfinance institutions and the development of financial services in rural areas. RIF II (Rural Impulse Fund II) microfinance fund is wholly dedicated to financing commercially viable rural microfinance institutions that are commercially viable and to offering financial services to people living in disadvantaged and isolated rural areas. RIF II invests in institutions in Africa, Latin America, Central Asia, the West Indies, Central and Eastern Europe, India and South-East Asia.



## “1,000 micro-loans granted in Belgium.”

*Philippe Maystadt*

Minister of State and honorary President of the European Investment Bank.

Chairman of the Board of Directors of microStart srl-FS.

### **Why did you agree to become Chairman of MicroStart?**

I came across microcredit when I was President of the European Investment Bank but also well before that, because one of my sons graduating in Economics wrote his university thesis on this subject. At the EIB I had been contacted by various institutions offering microcredit. Based on their proposals, we launched a European programme to support this type of financial service. I agreed to become chairman of microStart in order to share my strong support to microfinance. My key role is to make sure the structure is well managed.

### **What are microStart's strengths?**

I see three main strengths: first, an organisation that, through its supported professional microcredit offering, is meeting a demand that was previously badly served in Belgium. In three years we delivered nearly 1,000 micro-loans and met 4,000 candidates. Also, I believe that microStart has been able to work with a highly professional team and process. This gave it great credibility on the ground and institutionally. Finally, I think that one of its strengths is

the original alliance forged among BNP Paribas Fortis, which brings its own strengths and credit lines, Adie, which provides expertise, and the European Investment Fund which underwrites the portfolio. It is a strong partnership built on a solid ground.

### **What are your medium-term objectives?**

First, we need to keep on meeting the strong demand by expanding our branch network. In addition, we need to boost our performance to become more efficient and generate a social impact, particularly in job creation. Furthermore, we need to be able to cover operational expenses by 2018, in order to guarantee the organisation's long-term future. We are also seeking to increase capital in order to expand our activities. Finally, we need to contribute to the development of the regulatory framework for business start-ups in Belgium, which is currently unsuited for the needs of people with small-scale projects and who have been unemployed.

### **TALL ABOUT...**

#### **BNP PARIBAS AND MICROFINANCE**

For many years, BNP Paribas has supported microfinance institutions around the world in different ways. In Belgium, microStart, a group of social enterprises whose aim is to help those excluded from the traditional banking system to create or develop their own business, has been supported with loans, investment and donations in 2013. The Group's global support for microfinance amounted to EUR 131.6 million.



## BNP PARIBAS AND FRANCE ACTIVE: PARTNERS FOR YOUNG BUSINESS FOUNDERS



France | Michel Pébereau and Christian Sautter sign the agreement with France Active.

*The Group's corporate philanthropy arm, the BNP Paribas Foundation, is providing **EUR 100,000** in each of the next three years for France Active to help jobseekers under 26 who want to start their own business.*



Thanks to a partnership between BNP Paribas Foundation and France Active, the Group has strengthened its initiatives to return people to the job market. The young entrepreneurs will not only get a EUR 2,000 start-up bonus to top up their personal commitment but also the backing of France Active's network and 40 regional funds.

## FIRST SPONSOR OF ADIE

*In 2013, BNP Paribas supported Adie with **EUR 18.3 million**.*

The Group has been sponsoring Adie, France's principal microfinance organisation, for 20 years. In 2013, support included a loan and a donation of EUR 1.15 million from the BNP Paribas Foundation. BNP Paribas also used its branch network and skills-based volunteering schemes to implement programmes such as "Engagés ensemble pour l'emploi" (Working together for jobs). Since 2006 Adie has opened 15 new branches in France. Over 7,300 micro-loans have been provided, allowing more than 4,700 businesses to be set up and 6,000 jobs created.

## ITALY: NEARLY EUR 18 MILLION TO SUPPORT MICROCREDIT

*In 2013, BNL increased its support for PerMicro, Italy's leading microfinance provider.*

Thanks to BNL's support as shareholder and banker, PerMicro was able to expand its network. It now has five counters inside BNL branches and 13 of its own branches. Nearly 2,400 loans were distributed to families and companies. These loans were primarily aimed first at the most vulnerable sectors of the population: immigrants, young workers, micro-enterprises, etc.



Italy | Micro-enterprise supported by PerMicro.

# Efforts to combat exclusion and support human rights

Commitment

*In its efforts to combat exclusion, particularly financial exclusion, BNP Paribas is helping protect a fundamental human right: the right to a decent standard of living.*

*Also, financial education has demonstrated its effectiveness in combating over indebtedness and encouraging economic growth. More generally, BNP Paribas works to promote the protection of human rights where it can bring its influence to bear.*

## «HUMAN RIGHTS» WATCH AT SUPPLIERS

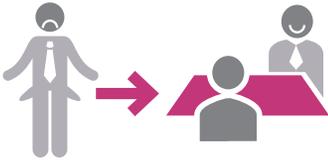
*In 2013, **1,083 analyses** were carried out on the CSR performance of suppliers in France, Belgium, Italy and Luxembourg, particularly their human-rights record.*

When selecting suppliers, BNP Paribas includes an evaluation of their environmental and social policies, and asks that they commit to respect human rights as part of the suppliers' code of conduct drafted in 2012. These assessments are done either in-

house or by an independent third party, as BNP Paribas CIB did in the United Kingdom, for instance, and are taken into account during calls for tender and supplier monitoring, thus giving suppliers an incentive to incorporate CSR into their business practice.



**EARLY DETECTION OF CUSTOMERS FACING FINANCIAL DIFFICULTY**



*Cetelem’s system for detecting “Customers in difficulty” was awarded the Efma Accenture prize in the social business category.*

The system seeks to contact the customer before they get into major financial difficulty and offer concrete, preventative solutions. Customers can get into difficulty for a range of reasons, including a sudden drop in income, unexpected expenses, or a change in family circumstances. These can be detected by unusual patterns of behaviour in the use of revolving credit

facilities and by a set of financial criteria. A dedicated and specially trained team then steps in to offer customers solutions and support through a partnership with an association. In 2013, more than 9,000 customers in difficulty were detected by Cetelem. In half of the cases, the difficulty proved very real. In 80% of the cases addressed, a solution was put in place for the customer.

**EUR 4.5 MILLION FOR FRENCH SUBURBS**

*BNP Paribas and its Foundation supported local actions by 105 charitable associations in 2013.*

These work in the heart of underserved urban areas to create businesses, get people into work and provide education. The Odyssée Jeunes programme was one of the sponsored projects which aims to promote equal opportunity and which continues to be funded. With a

budget of EUR 7 million over five years, this programme has already financed educational school trips for more than 27,000 high-school students in the Seine-Saint Denis département near Paris and in partnership with local authorities. The BNP Paribas Foundation is also a partner of the student association, l’Association de la Fondation étudiante pour la ville (Afev). In the 2012-2013 academic year, nearly 7,600 young people aged 5 to 18 benefited from two hours a week of one-to-one educational support in France, thanks to Afev.



France | Support at school thanks to Afev.

**SUPPLIERS SOURCED FROM THE PROTECTED AND ADAPTED SECTOR**

*Between 2011 and 2013, BNP Paribas doubled the volumes outsourced to companies working in the protected and adapted sectors.*

This acceleration shows the Group is on track to reach its target: tripling relationships with these businesses by 2015, thus getting people with disabilities into work.



France | Ecodair social enterprise.



## “HELPING TURKISH FAMILIES MANAGE THEIR BUDGET.”

*Burcu Kistak*  
Senior manager, Retail Banking  
Marketing Communications  
– TEB

The TEB Family Academy helps Turkish families to manage their budgets better through financial-education courses run at the branches. Participants get an introduction to finance, learn to balance their domestic finances, borrow sensibly and use a credit card. All TEB branches offer courses at least once a month. Any employee can become a trainer for the Academy by taking the training course we have developed. We currently have 540 qualified trainers. They also receive certification as trainers in economics from the Ministry of Social Affairs. In just over one year of existence, the programme has trained 105,000 participants. It is proving very successful as 93% of them say they would recommend the course to their family and friends.

## FINANCIAL EDUCATION WORLDWIDE



*In Italy, BNL has been delivering training in its branches and in Feltrinelli bookshops.*

In 2013 more than 230,000 people were able to access the Group’s financial-education programmes. These are aimed at all types of people and are being rolled out in more countries: France, Italy, Belgium and Luxembourg, as well as Germany, Spain, the Netherlands, India, Turkey, Morocco, Singapore and the United States. In Italy, for instance, 64,000 people and nearly 4,000 companies have taken part in over 3,500 events held since 2008.

## UNITED NATIONS GUIDING PRINCIPLES



*BNP Paribas worked on drafting a Guide to assessing human-rights risks in 2013.*

As a founding member of the French association “Companies for Human Rights”, BNP Paribas plays an active part in developing its mission, notably by designing training tools. This led to a Guide that raises awareness of the risks and helps managers to integrate human rights into their daily activities. It gives them a better understanding the responsibilities that companies have in respecting human rights and provides a detailed breakdown of the steps to take to apply the UN Guiding Principles effectively.



# Corporate-philanthropy policy for culture, solidarity and the environment

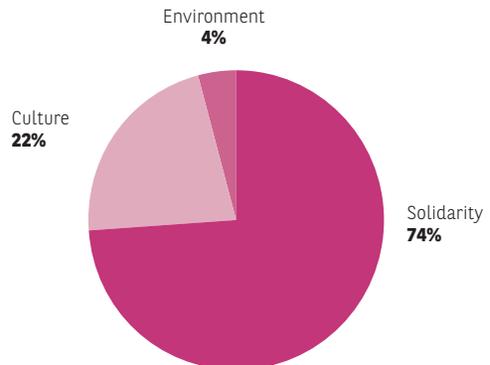
*Culture, solidarity and the environment: thanks to the generosity, not only of the Group but also of its employees around the world, BNP Paribas has been able to make progress in these three major areas. The Group puts its civic responsibility into action in the 75 countries where it works by restoring artworks, bringing aid to victims of humanitarian disasters or sponsoring skills-development.*

## EUR 40.5 MILLION FOR CORPORATE PHILANTHROPY

**3,547** projects were supported in 2013 by the Group.

BNP Paribas' corporate philanthropy programme, which has been steered by the BNP Paribas Foundation for thirty years, enjoys a worldwide presence, either via its network of 15 funds and foundations, or directly through the Group's business lines and subsidiaries. Its actions are focused on three areas: culture (preserving museum treasures and encouraging artistic creation), solidarity (helping people into work, education and preventative measures) and the environment (financing and supporting research into climate change).

Corporate philanthropy projects by area\*



\* At end-2013, the Foundation's Executive Committee set up a working group to update its strategic direction. It was decided to make its interventions more coherent by refocusing corporate philanthropy on three areas: solidarity (which now includes the education and health programmes), culture and the environment.

**MORE THAN 70 ARTWORKS RESTORED**

*Through its **BNP Paribas for Art** programme, the BNP Paribas Foundation has supported the restoration of over **70 works of art** in a dozen museums around the world.*

Works included twelve Kanak masks in partnership with the Quai Branly museum in Paris. The masks were the star exhibits in the show "Kanak, art is a word" and were unveiled in Autumn 2013 in Paris. In 2014, they will move to the Jean-Marie Tjibaou Cultural Centre in Noumea, New Caledonia.

The Foundation, together with BNP Paribas Ireland, helped restore a Claude Monet painting, Argenteuil Basin with a single sailboat, which is kept at the National Gallery of Ireland in Dublin.



**RESCUE AND RECOVER FUND: EUR 750,000 PAID TO NGOS**



*This endowment fund was launched at end-2012 to pool employees' generosity and assist the victims of humanitarian disasters*

Open to all BNP Paribas employees around the world, the Rescue & Recover endowment fund was the first of its kind. Each donation made by an employee is doubled by BNP Paribas, and then paid to the three partner NGOs: CARE, the Red Cross and Doctors without Borders (Médecins Sans Frontières).

In 2013, BNP Paribas and its employees responded to three major crises: the exceptional floods in India, civilian refugees fleeing the Syrian conflict, and the massive Haiyan typhoon in the Philippines. They also provided assistance to NGOs working long term to address key issues, such as protecting mother-child health and access to clean drinking water.

**COMMITMENT TO SOLIDARITY DURING WORKING HOURS**

*In the 14 countries of the Asia-Pacific region, employees receive **one day's holiday a year** to devote to social-solidarity causes.*

Many initiatives have been developed by BNP Paribas' subsidiaries, business lines and countries to encourage such involvement by employees: employees around the world donated 55,000 working hours to charitable projects. In the 14 countries of the Asia-Pacific region where the Group is present, employees receive a day off each year to devote to charitable work.

For instance, BNP Paribas CIB's legal teams in New York and TEB in Turkey have launched pro bono\* schemes in which their lawyers make their expertise available to charitable associations.

\* Pro bono ("for the public good") refers to the commitment of volunteers who make their business more meaningful by getting involved in public-interest initiatives free of charge.

## ITALY: MORE THAN EUR 10 MILLION FOR THE TELETHON



Main sponsor of the Italian Telethon, in 2013, BNL alone raised

**34%** of total donations.

For over 25 years, BNP Paribas has been involved in the Telethon. In Italy, BNL rallied its customers and employees around more than 1,000 events, including tennis tournaments, cycle races, partnerships with operas, etc. A new website highlighting the ways to support the Telethon was also set up: [www.telethon.bnl.it](http://www.telethon.bnl.it). All of these initiatives have had a very positive effect, as over EUR 10 million was raised.

## OVER 47,000 HOURS OF SKILLS-BASED VOLUNTEERING

*For many years, two associations have been offering skills-based volunteering projects for current and former Group employees.*

Microfinance Without Borders (MFSF) provides advice and expertise from Group volunteers to microfinance institutions and social enterprises. In 2013, around 120 volunteers worked on 57 projects which aim to tackle social and economic exclusion among disadvantaged populations in 25 countries. Bénévolat de Compétences et Solidarité (BCS) steers willing volunteers toward twenty community associations in France that focus on financial inclusion, education of disadvantaged young people, social housing and combating unemployment. Through its intervention, 650 volunteers worked on different projects in 2013. Together, MFSF and BCS organised 47,276 hours of volunteering.

The Benev'All platform, which offers more than 2,000 volunteering placements, was launched in 2013 and is aimed at the 8,000 employees of the Investment Solutions division in France.

## “Improving people’s living conditions.”



*Si Mohamed Kaanoune*

BMCI, Permanent Control Department, volunteer in the Tamounte Nait Youssef Ohmaned association for development, won the “Country” award given on the tenth anniversary of the “Coup de Pouce” programme.

### Can you briefly introduce the Tamounte Nait Youssef Ohmaned association for development?

The aim of the association is to improve the living conditions for people in Ait Ohmaned Youssef, which is a mountainous region in the south of Morocco and where my family comes from. My father began the effort to improve conditions in the region and I am continuing his work with the help of volunteers. Our local involvement means we can identify local issues and put in place appropriate solutions. Today our priorities are to encourage agriculture, extend people’s access to water and develop rural schooling.

### What has the Coup de Pouce prize changed for you?

I already had support from the BMCI Foundation. The extra EUR 4,000 in prizemoney that celebrates ten years of the Coup du Pouce programme is significant support for our association and increases the credibility of what we are doing. Personally, it is also highly motivating to know that the company really values the commitment of its employees to good causes.

### ALL ABOUT...

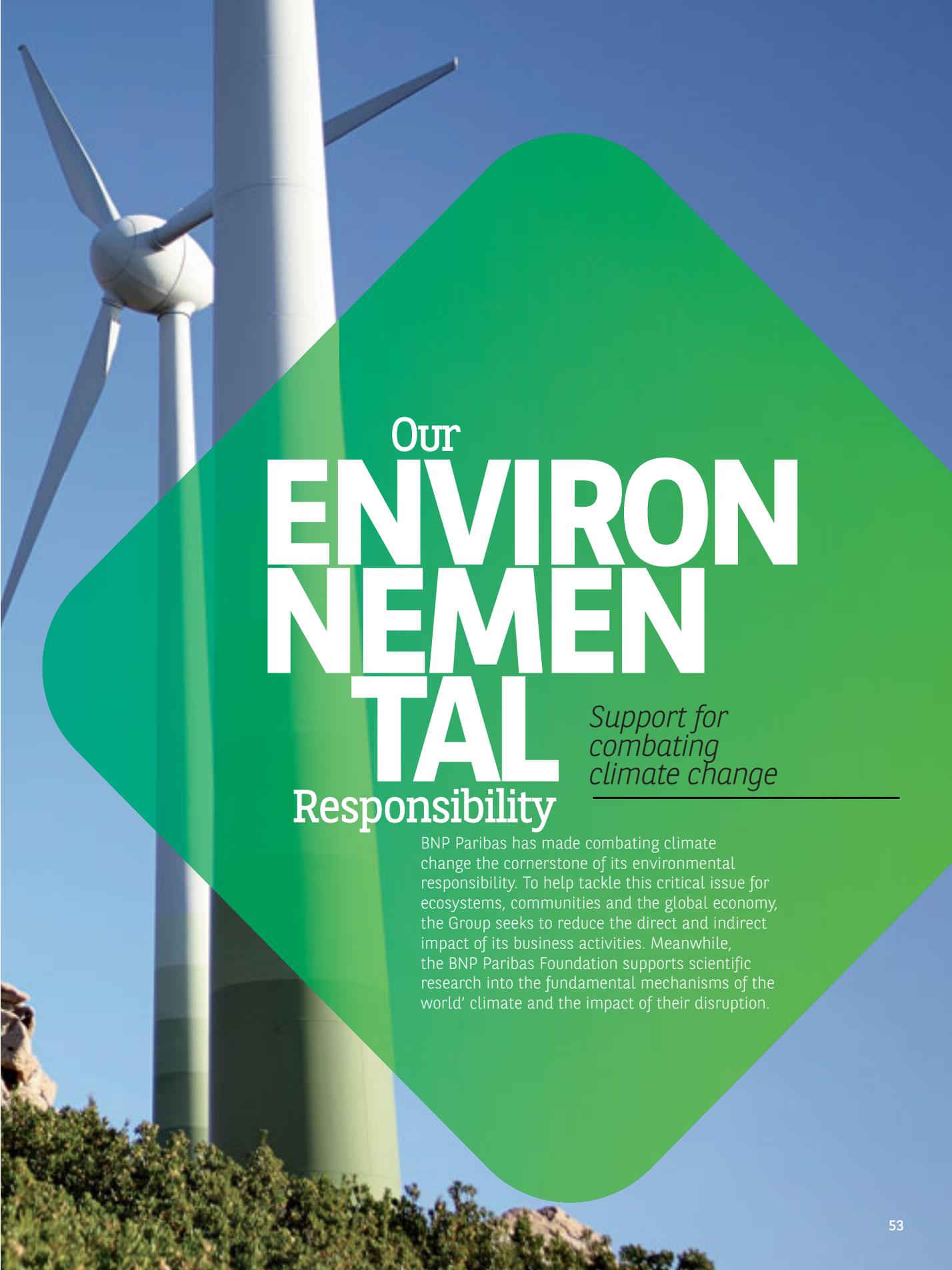
#### **COUP DE POUCE**

The Coup de Pouce programme celebrated its tenth birthday in 2013. It provides financial support for the charitable associations to which employees devote their time. In 2013, it supported 266 projects worldwide with total funding of EUR 810,144.



**BY SEEKING  
TO LIMIT  
ENVIRONMENTAL  
IMPACTS,**

whether caused indirectly by its banking activities or directly by its own operations, BNP Paribas is contributing to the energy transition.

A large white wind turbine stands against a clear blue sky. The turbine's tower and nacelle are visible, with one blade extending towards the top left. The background is a bright, clear blue sky. In the foreground, there are some green trees and a rocky outcrop.

# Our ENVIRONMENTAL Responsibility

*Support for  
combating  
climate change*

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BNP Paribas has made combating climate change the cornerstone of its environmental responsibility. To help tackle this critical issue for ecosystems, communities and the global economy, the Group seeks to reduce the direct and indirect impact of its business activities. Meanwhile, the BNP Paribas Foundation supports scientific research into the fundamental mechanisms of the world's climate and the impact of their disruption.

# 10

Commitment

## Financing policy commitments in sensitive sectors

*BNP Paribas pays close attention to the environmental impact of the projects, companies and individual customers it supports. The Group's financing of and investment in sensitive sectors are conditional on the strict respect of for criteria based on best practices and designed to encourage energy efficiency and the use of renewable and low-carbon energy sources.*

### COAL, NUCLEAR: NEW FINANCING CRITERIA



*In 2013, the Group strengthened its lending and investment criteria regarding coal-fired and nuclear electricity production, two sensitive sectors for the environment.*

Under its coal policy, in place since September 2011, the Group refused to finance around twenty power stations responsible for around 25% of France's annual CO<sub>2</sub> emissions. In 2013, following advice from internal and external experts, BNP Paribas set new criteria for small-scale, coal-fired power plants often representing the best option for electricity generation in developing countries. Their

financing is now conditional on using the best available technology. In light of the lessons learned from the Fukushima nuclear accident, the Group added new criteria in 2013 to the nuclear policy originally drawn up in 2011. Any request for funding for nuclear power plants must now meet additional criteria required by the country's nuclear-safety authority.

## ASIA: GLOBAL INVESTORS AND CLIMATE CHANGE

*BNP Paribas was a sponsor of the first international forum on climate change to bring together global investors in Asia.*

Its ambition was to identify the risks associated with climate change and exploit the investment opportunities that can help build a low-carbon future. The forum, held on 13 and 14 June, 2013, was attended by influential international investors and spokesmen from key international institutions such as Ban Ki Moon and Al Gore. By choosing Hong Kong as location, investors' attention was focused on the rising power of the Asian continent and on the increasing impact the climate change has on its environment and economy.

## DRIVING ROLE OF THE EQUATOR PRINCIPLES



*BNP Paribas contributed to the extension of the Equator Principles and examined 21 transactions*

*in 2013 compared with 13 in 2012.*

Being appointed to the steering committee of the Equator Principles Association for three years from 2012, the Group actively contributed to the latest development of its recommendations. These now include tougher requirements on transparency for extra-financial information, respect for human rights and management of climate impacts. In addition, the latest version of the Equator Principles covers both loans granted to companies for specific projects and to bridging finance.



**“CSR:  
an essential  
part of the way  
we do business.”**

*Enna Pariset*  
Managing Director, Global Head of Metals  
and Mining Investment Banking, London

### **Does the mining policy change anything in the way you do business?**

Having the mining CSR policy in place definitely changes the way we do business. First of all, it helped us clarify how and which business we wish to do as an institution. Secondly, we wish to do first-class business in a first-class manner. Today, none of the mandates in Corporate Finance are taken on board without first reviewing them to see if they comply with our mining CSR policy.

### **Do you think having such a policy changes the way BNP Paribas is perceived by its clients?**

I truly believe that it does change the way BNP Paribas is perceived by its clients and in a positive way! Today no presentation by a mining client's CEO goes without him or her addressing the CSR issues. I believe that for our clients working with the bank that has a strong mining CSR policy in place is yet another stamp of approval and confirmation that the client is on the right track in terms of CSR.

### **Are you afraid of losing deals because of the CSR policy?**

No, there is no reason to be afraid. In the end, it is a question of consciousness, we are not here to do business and get revenues at any cost. I strongly believe that the long-term benefits of having the solid mining CSR policy in place largely outweigh any immediate short-term potential revenue losses.

In the coming years, I see CSR really becoming at the forefront of the way we do business.

#### **ALL ABOUT...**

#### **MINING POLICY**

The Group's mining policy was published in 2013 and covers all BNP Paribas' financing and investments in the mining sector. It applies to all BNP Paribas entities and subsidiaries throughout the world.



World | Wind-power projects make up 76% of BNP Paribas' financing for renewable energy.

## RENEWABLE ENERGIES: 77 PROJECTS FINANCED



*The Group actively supports companies in the renewable-energy sector. It has granted nearly **EUR 6.5 billion** in loans, mostly in Europe..*

These investments funded a total 11,527 MW of installed capacity as at end-2013, equivalent to the annual consumption of over 12 million French homes. In this sector, nearly EUR 6.5 billion of loans were granted as at end-2013, including more than EUR 2 billion in project finance. These loans mainly concerned the financing of wind, hydro-electric and solar power plants. Geographically, customers in the Group's domestic markets (France, Italy, Belgium and Luxembourg) were the major beneficiaries along with other southern European countries.

### **Main projects**

**In the United States**, BNP Paribas Capstar advised EDF Énergies Nouvelles on the financing of a 144 MW solar project in California (Catalina Solar) and four

wind projects: two others in California with capacity of, respectively, 140 MW (Pacific Wind) and 103 MW (Shiloh IV), a third in Kansas with 102 MW (Spearville 3) and one in Texas (Spinning Spur) with projected capacity of 161 MW.

**In Spain**, Gamesa, a leading company in the wind-power industry, has been a customer of the Group since 2005. BNP Paribas acts as lender, guarantor and cash manager in 17 countries. Despite the sovereign debt crisis, the Group maintained its support and strengthened its relationship in 2013, allowing Gamesa to continue installing wind farms in Europe, America and Asia.



## ARVAL, PROMOTER OF RESPONSIBLE MOBILITY



*Thanks to Arval's advice and services, customers were able to cut CO<sub>2</sub> emissions on all vehicles by around **460,000 tonnes** in 2013.*

Arval specialises in long-term leasing of multi-brand vehicles and encourages its customers to adopt "responsible mobility" through its "Environment and Safety" programme. This offers car-sharing, electric vehicles, driver-training and training in road-accident prevention as well as insurance. Its experts use the latest innovations in engine efficiency and alternative fuels to offer customers the most fuel-efficient vehicles.

## FINANCING HOME ENERGY RENOVATIONS

*In 2013 Domofinance, a joint subsidiary of EDF and BNP Paribas Personal Finance, handled more than **56,000 applications** from people wanting to reduce their environmental impact.*

Since its establishment in 2003 to provide energy-efficient renovations to all individual homes and jointly-owned housing, Domofinance, a specialist in energy efficiency and finance, has supported more than 390,000 projects, saving enough energy to supply 35,000 households.

## "EUROPE'S GREENEST BUILDING" BREEAM

*The Noda building, conceived by BNP Paribas Real Estate, was awarded BREEAM International certification as Outstanding with a score of **92.07%**.*



This is the highest score ever recorded in Europe for this certification. Designed by the Project-Development teams at BNP Paribas Real Estate, the 22,300 sq.m building in Île-de-France was already certified as "HQE Exceptional" for its design phase. The offices will be open at end-2014.



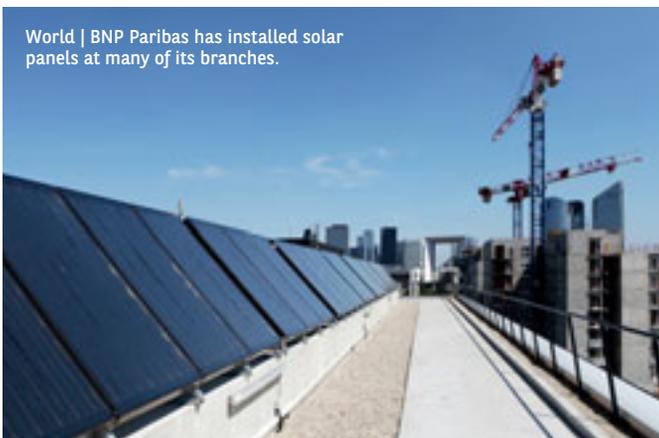
11  
Commitment

# Reduction in the environmental footprint associated with our own operations

*To reduce the environmental impact of its own activity, BNP Paribas has set three priorities: to reduce greenhouse-gas (GHG) emissions from energy consumption in its buildings and business travel, to use paper in a more environmentally responsible way, and to improve waste management.*

## 18.2% RENEWABLE ENERGY IN OUR BUILDINGS

World | BNP Paribas has installed solar panels at many of its branches.



***At First Hawaiian Bank and BNL in Italy, solar panels were installed on branch roofs.***

The proportion of renewable energy consumed in BNP Paribas buildings rose to 18.2%, compared with 10.6% in 2012. This renewable energy comes either from buying renewables certificates or from direct use of renewable energy generated by the Group's buildings. At First Hawaiian Bank and BNL in Italy, for instance, solar panels were installed on branch roofs.



**BNP PARIBAS HAS THE TOP-PERFORMING CARBON STRATEGY IN BANKS IN CONTINENTAL EUROPE**



*Significant progress has been made since 2012:  
-4.8% CO<sub>2</sub> emissions per employee,  
-6.7% paper consumption per employee  
and 40% of waste recycled.*

The Group decided to go beyond the requirements for ISO 14001 certification which covered nearly 22,000 employees in 2013. Commissioning an annual environmental report to measure progress, it set a target for 2015 of cutting CO<sub>2</sub> emissions per employee by 10%; reducing paper consumption per employee by 15% and collecting and recycling 55% of waste. The policy was recently hailed by the Carbon Disclosure Project,\* which ranked BNP Paribas as the best-performing bank in Continental Europe in terms of carbon strategy. Consuming less paper means reaching

140 kg per employee by end-2015 compared with 165 kg in 2012. In 2013, the figure was reduced by over 10 kg to 154 kg. The proportion of responsibly sourced paper\*\* rose to 48.4% in 2013 (from 43.5% in 2012), on track to meet the target of 60% by 2015, while eco-designed office supplies represented 21.7% of total office supplies purchased in 2013 (compared with 14.9% in 2012).

\* International organisation that carries out annual assessments of companies' commitment to incorporating climate issues in their business activities and managing their GHG emissions.

\*\* More than 50% recycled or FSC-/PEFC-accredited.

**INCREASED USE OF WEB- AND VIDEO-CONFERENCING**

**4%**  
*fewer kilometres  
of business travel by employees*

The Group uses a combination of investment in equipment, travel policy and awareness-raising to reduce business-related journeys which in 2013 were by plane (60.9%), train (13.6%) and road (25.5%). All are sources of greenhouse gas emissions. The use of webconferencing, videoconferencing and telepresence was most advanced at BNP Paribas Personal Finance where 500 videoconferences were held each month in 35 dedicated rooms. Globally, each employee travelled an average 4,431 km in 2013 compared with 4,618 km in 2012.



World | Videoconferencing reduces the need for travel.

## BELGIUM: BNP PARIBAS FORTIS, FIRST COMPANY TO EARN RECYCLING CERTIFICATE

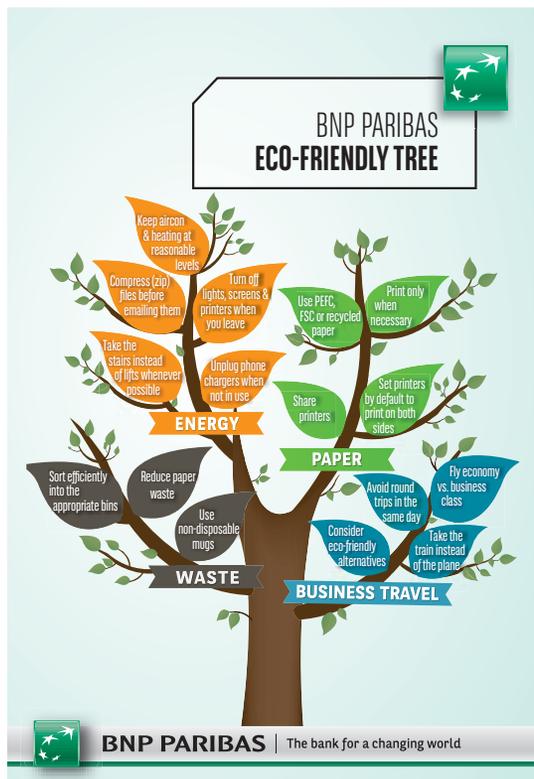


**40% of the waste** produced by the Group was recycled. Total weight fell from 37,841 tonnes in 2012 to 36,583 tonnes in 2013.

Waste per person thus fell from 201 kg to 198 kg. This progress reflects the commitment to recycle wherever possible and the effectiveness of the action taken to meet the 2015 targets. Regarding paper-use, aside from campaigns to “use less and better” the Group undertook to collect and recycle 55% of paper used internally. Hence the flagship initiative of BNP Paribas Fortis, which became the

first company in Belgium to be certified for recycling, in July 2013, for reusing its own waste paper. The Group also continued its strict policy on end-of-life IT equipment. Since 2011, PCs, servers and screens are donated or resold with full traceability. They are only dismantled as a last resort, in which case as much as possible is recycled.

## INDIVIDUAL AND COLLECTIVE CAMPAIGN FOR ECO-AWARENESS



World | Eco-gestures campaign poster

*In Turkey, BNP Paribas Lease Group signed up to the WWF Green Office programme.*

A vast global campaign to increase eco-awareness was run in 2013 targeting all employees. Running over several weeks, its aim was to inform them about the Group’s environmental policies and objectives, and encourage them to play a part. It focused on four themes: energy consumption, business travel, paper and waste. Several thousand people viewed or downloaded the items on the intranet, including a guide of effective, day-to-day steps.

To acknowledge this individual effort and to give it a collective dimension, the Group paid EUR 5 to the Rescue & Recover Fund (see commitment 9) for each employee who pledged online to adopt these eco-gestures. The campaign was accompanied by numerous local initiatives: in Turkey, for instance, BNP Paribas Lease Group signed up to the WWF Green Office programme.



## “The Climate Performance Leadership Index showcases exemplary companies.”

*Steven M. Tebbe*  
CDP Managing Director, Europe

### **What is the Climate Performance Leadership Index that BNP Paribas is now part of? How do investors use it?**

This index is part of CDP’s annual rating process and certifies a superior standard of corporate climate performance and transparency. CDP wishes to highlight the leadership of outstanding companies, and we are pleased that BNP Paribas is currently one of them.

Because company’s climate performance correlates with improved financial performance and reflects on the quality of risk & opportunity management, investors increasingly use CDP’s insight in decision making. In fact, the CDP index is deemed most trusted by experts to judge on corporate sustainability performance and transparency year after year.

### **From your perspective, what are the next steps the financial sector could take in terms of carbon strategy?**

In order to protect their long term investments, institutional investors must act to reduce the long-term risks arising from corporate environmental externalities such as GHG emissions. In order to accelerate action on carbon reduction and energy efficiency activities in high-emitting industries, CDP has created Carbon Action. By signing up, investors are able to accelerate cost effective company action on energy efficiency and carbon reduction that brings an average payback in 3 years.

#### ALL ABOUT...

### **CLIMATE PERFORMANCE**

The CDP publishes and ranks for investors carbon reports on several thousand companies worldwide. BNP Paribas scored 93/100 for transparency and A for performance in 2013 taking it into the CDP’s Climate Performance Leadership Index.

12  
Commitment

## Support for research aimed at combating climate change

*The BNP Paribas Foundation, through its Climate Initiative programme, supports scientific research with the aim of better understanding the fundamental mechanisms of the world's climate, as well as the impact on the environment, communities and the economy when these are disrupted.*

### SCIENTIFIC CORPORATE PHILANTHROPY PROGRAMME TO PREPARE FOR CLIMATE CHANGE



*In 2013, the BNP Paribas Foundation called for applications from projects and committed **EUR 3 million** of new grants over three years to support new research programmes.*

The five projects sponsored since 2011 are already well-recognised in the international scientific community. Run by international research labs, each contributes within its field to understanding the functioning, causative factors and impacts of climate change with a view to better preparing for its consequences.

Two projects explore history to shed light on the future: one by storing a century of Météo-France archives; the other, Subglacior, by perfecting a revolutionary probe to study the Antarctic ice. The other three projects, eFOCE, Global Carbon Atlas and Preclide analyse the current state of the planet to improve current knowledge and forecasts.



## INTERACTIVE MAP OF GLOBAL CARBON EMISSIONS

**The first ever Global Carbon Atlas was launched on the internet in March 2014,**

allowing visitors to the website to see and interpret the latest data on the global carbon cycle. BNP Paribas contributed to the project, making it possible to hire a scientist to

standardise data from leading international institutions, and an IT expert who edited the data into maps and texts. The website, [www.globalcarbonatlas.org](http://www.globalcarbonatlas.org) is accessible to scientists, politicians and the general public and should help spur concrete actions to combat climate change.



**“SUPPORT FROM THE BNP PARIBAS FOUNDATION WAS DECISIVE FOR OUR PROJECT.”**

*Josep Canadell*  
Executive Director of the Global Carbon Project, based at the Commonwealth Scientific and Industrial Research Organisation, Canberra, Australia.

The Global Carbon Atlas is the new interface between science and a broad stakeholder community to deliver the most up-to-date and robust data on the state of human’s impact on the Earth’s carbon-climate system.

By allowing us to recruit scientists who were in charge of both collecting and harmonizing data, the help of the BNP Paribas foundation has been essential for our project. Because the very attractive visually-driven interface of the Atlas, we can now reach a much broader audience of government agencies, non-governmental organizations, industry, and citizens who are key actors in the climate debate and eager to access top quality and up-to-date information. Our data was accessed more than 25,000 times through the Global Carbon atlas. We believe this is just the beginning of what we expect it will be a major portal for accessing carbon information for multiple applications.

## JAPAN: RESEARCHING MARINE ECOSYSTEMS



Calcareous algae in the Mediterranean

**BNP Paribas Japan and Earthwatch Japan are helping to monitor coastal ecosystems as part of a research programme on marine life.**

Under the auspices of a consortium of Japanese universities, these research projects began in 2002 in six coastal areas. They will add to our knowledge of the role of oceans and their critical influence on climate processes.

## FORECASTING CLIMATE 30 YEARS AHEAD

**Preclide seeks to better understand climatic variations and refine forecasts looking ahead 5, 10 and 30 years.**

By reducing the room for uncertainty, the research will make it easier to adopt the right adaptation methods and make them more effective. During the first phase of the project, which was completed in 2013, the project team was able, with the support of BNP Paribas,

to link the Météo France atmospheric model with the CNRS Nemo ocean model. By factoring in CO<sub>2</sub> emissions and the role of the oceans, researchers showed that they could reliably forecast temperatures several decades ahead. These forecasts, which match the life cycle of many infrastructure projects such as power stations, civil-engineering projects or waste-water networks may provide precious information to decision-makers and citizens faced with the question of how to adapt to climate change.

# INDICATORS

The indicators shown here were collected using the Group's internal management tools and specific queries addressed to the departments, business lines or countries in in the Group. It is expressly noted when the scope covered by an indicator differs from that of the entire BNP Paribas Group.

## SOCIETAL INDICATORS

### The BNP Paribas Group's support for microfinance institutions (MFIs)

BNP Paribas regards microfinance as one of the most powerful means of combating poverty and exclusion. That is why the Group has been investing for more than 20 years in the development of microcredit.

Support for MFIs in mature markets	2011	2012	2013
Financing commitments (€ millions)	8.1	15.37	45.57
Investment commitments (€ millions)	4.10	6.28	6.48
Donations (€ millions)	1.4	1.47	1.92

Support for MFIs in emerging markets	2010	2011	2012	2013
Number of MFI partners	18	26	24	26
Number of borrowers	127,000	153,398	134,926	133,123
Financing commitments (€ millions)	45.5	34.3	33.1	41.5
Investment commitments (€ millions)	n/a	n/a	0.6	0.8

During 2013, BNP Paribas' support for microfinance totalled **EUR 131.6 million**, broken down as follows:

- financing commitments (loans) in France, Italy, Belgium, the United Kingdom and in the emerging markets totalled EUR 87 million as at 31 December 2013;
- investment commitments (equity) in France, Italy, Belgium, Luxembourg and in emerging markets came to EUR 7.3 million as at 31 December 2013;
- donations (in cash) during 2013 in France, Belgium and the United States amounted to EUR 1.9 million;
- Other types of support for the sector (commitments on behalf of third parties, personal micro-loans and micro-insurance) totalled EUR 35.4 million.

### SRI assets under management in EUR billions

31/12/2010	31/12/2011	31/12/2012	31/12/2013
14.1	15.1	20.1	19.85

### Facilitating access to banking services in emerging markets

Through three initiatives, the Group had by end-2013 provided easier access to banking services for more than **5.3 million people**:

- in Senegal, Côte d'Ivoire and Mali, over 5 million people (compared with 3.68 million at end-2012) can carry out simple banking transactions using a mobile phone and the dedicated mobile-banking services offered by the Group; similar initiatives are in place in Gabon and Burkina Faso, allowing the Group to record more than 5.3 million mobile-banking customers as at end-2013;
- the "Pack Trankil" package, launched by the Group's BICs (International Banks for Commerce and Industry), allows more than 42,104 low-income people (at end-2013) in Senegal, Côte d'Ivoire, Mali and Burkina Faso to have a bank account, withdrawal card, SMS account-monitoring and advice in a customer-relations centre, all for EUR 1.50 per month;
- finally, "Pack Mertah", launched in 2011 in Morocco, gave 2,382 individual customers in 2013 a bank account, withdrawal card, savings account, SMS alerts and an overdraft facility.

### Financial education

By financial-education programmes, we mean one or more sessions raising awareness or introducing basic financial concepts. This may include training in how a bank works, a session on how to prevent young people from getting into too much debt, or a budgeting course for people experiencing financial difficulties.

In 2013, more than **230,000 people** had followed one such programme, sometimes in collaboration with an association, but always designed and/or led by Group employees.

Number of beneficiaries of a financial-education programme	2011	2012	2013
Domestic markets	30,000	48,212	76,391
Other markets	40,000	43,515	158,261
<b>Total</b>	<b>70,000</b>	<b>91,727</b>	<b>234,652</b>

## Application of the Equator Principles

	2011	2012	2013
<b>Number of transactions reviewed during the year</b>	<b>30</b>	<b>13</b>	<b>21</b>
- Category A transactions during the year	5	2	3
- Category B transactions during the year	20	10	13
- Category C transactions during the year	5	1	5

In 2013, BNP Paribas reviewed **21 transactions** in accordance with the Equator Principles, compared with 13 in 2012. The Equator Principles Association has released a new version of the principles that broadens their scope beyond project finance by including loans to companies for specific projects and bridging finance. More stringent requirements were also adopted on transparency of extra-financial information.

## Number of suppliers scored based on their CSR performance as part of calls for tender in France

BNP Paribas encourages its suppliers to embrace its vision of corporate social responsibility. It requires suppliers in its four domestic markets (France, Italy, Luxembourg, Belgium) to complete a questionnaire evaluating their CSR performance. As at end-2013, **1083 CSR** performance evaluations were conducted on the Group's service providers in all four countries.

## Actions taken by the BNP Paribas Group to prevent corruption

In 2013 increased attention to training led to the introduction in March of a procedure with the obligation to train employees on anti-money laundering, terrorist financing and compliance with international sanctions. **Two training modules** were issued on professional ethics and social engineering.

## Volunteering

Two associations, MicroFinance Sans Frontières (MFSF) and Bénévolat de Compétences et Solidarité (BCS) offer ways for Group staff, current and retired to donate their skills. During 2013, they coordinated a total of **47,276 volunteer hours**. At the same time, BNP Paribas employees contributed more than **55,000 hours** of their time to charitable work.

## Corporate philanthropy

In 2013 BNP Paribas, through the BNP Paribas Foundation, ran **3,547 projects** with total budgets of **EUR 40.5 million** in five areas:

- Solidarity: EUR 15.04 million (37%)
- Education: EUR 11.97 million (30%)
- Culture: EUR 9.01 million (22%)
- Health: EUR 2.92 million (7%)
- Environment: EUR 1.56 million (4%)

## Comparative trends in outstanding corporate and personal loans and in GDP

	Trend end-2013 vs. end 2008 in loans outstanding to companies and individuals	Trend end 2013 vs. end-2008 in GDP (in value) of the region concerned
France	18.7%	6.7%
Italy	14.6%	- 1%
Belgium + Luxembourg*	18.5%	14%

\* The comparison is made between end 2013 and end-2009 for operations in Belgium and Luxembourg combined.

For five years, BNP Paribas has been able to increase lending to customers, despite the adverse economic conditions. The total amount of loans extended to businesses and individuals has thus increased regularly within the Group's four domestic markets, and in a proportion well above the level of economic growth in these countries.

## SOCIAL INDICATORS

(unless otherwise stated, indicators relate to the Group scope)

### Workforce trends over the past ten years

	2003	2008	2013		
France	53,020	64,217	<b>56,794</b>	Four domestic markets 96,317	Europe 141,502
Italy	3,255	19,397	<b>18,194</b>		
Belgium	537	855	<b>17,390</b>		
Luxembourg	1,047	1,445	<b>3,939</b>		
Europe (domestic markets)	13,400	46,845	<b>45,185</b>		
North America	9,713	15,222	<b>15,160</b>	Rest of the world 43,043	
Asia-Pacific	4,738	10,173	<b>14,734</b>		
Africa	5,418	8,883	<b>9,049</b>		
Latin America	1,715	3,957	<b>3,512</b>		
Middle East	665	2,194	<b>588</b>		
<b>Total</b>	<b>93,508</b>	<b>173,188</b>	<b>184,545</b>		

### Recruitment and departures

#### Change: new hires on permanent contracts\*

	Men	Women	Total
New hires on permanent contracts	8,117	9,186	<b>17,303</b>
Fixed-term contracts converted into permanent contracts	503	747	<b>1,250</b>
<b>Total</b>	<b>8,620</b>	<b>9,933</b>	<b>18,553</b>
%	46.5%	53.5%	
<i>o/w in Domestic markets</i>	48.7%	51.3%	2,493
<i>o/w in France</i>	45.9%	54.1%	1,585

\* Physical headcount.

#### Movements: reasons for permanent employee departures

	Men	Women	Total
Retirement/early retirement	1,747	1,570	<b>3,317</b>
Resignations	5,283	6,188	<b>11,471</b>
Dismissals*	1,299	1,918	<b>3,217</b>
Mutually agreed departures	199	274	<b>473</b>
Assisted departure plans	479	435	<b>914</b>
Other terminations of permanent contracts (of which unspecified, end of probation, death)	935	1,009	<b>1,944</b>
<b>Total</b>	<b>9,942</b>	<b>11,394</b>	<b>21,336</b>

\* In France, the grounds for the 456 dismissals were professional failings, unsuitability and misconduct.

### Organisation of working hours

#### Type of contract\*

	Men	Women	Total	%
Number of permanent contracts	87,765	91,373	<b>179,138</b>	97%
Number of fixed-term contracts	1,994	3,413	<b>5,407</b>	3%
<b>Total</b>	<b>89,759</b>	<b>94,786</b>	<b>184,545</b>	<b>100%</b>

\* Équivalent Temps Plein.

#### Part-time\*

	Men	Women	Total	%
Number of part-time employees	1,853	13,389	<b>15,242</b>	
Part-time employees working 80% or more	1,193	9,176	<b>10,369</b>	68%
% of part-time employees	2.5%	16.6%		9.8%
% of part-time employees by gender	12.2%	87.8%		

\* Physical headcount taking into account 82% of Group headcount.

### Training

#### E-learning

The e-learning programme now features 1,440 new modules, taking the total to 2,718. They are available in seven languages and to all employees. 67% of users have completed more than one module and 15% more than ten, including 43% of training courses dedicated to risks, 32% to business skills and 11% to Group culture and awareness.

	2012	2013
		<b>M: 50.4% W: 49.6%</b>
Number of employees	37,185	<b>84,729</b>
Number of modules completed	81,588	<b>441,137</b>

#### Training: total number of hours and employees\*

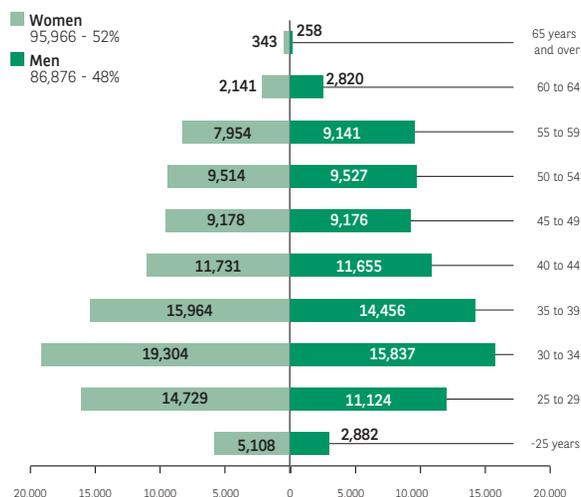
The number of training hours totalled 25 on average per Group employee.

	2012	2013
Total number of employees having followed at least one training course	<b>136,918</b>	<b>148,875</b>
Total number of training hours	<b>4,208,901</b>	<b>4,697,071</b>

\* Physical headcount on 90% of scope in 33 countries.

## Diversity

### Breakdown of the Group workforce by age and gender\*



\* Physical headcount taking into account 96% of Group headcount.

The average age of Group employees is 40.2 years, and their length of service is 12.1 years. The Group's age structure remains balanced overall.

### Gender equality

Executive Management maintains its target of 25% of women in senior-management positions by the end of 2014, with 22% at the end of 2013. In 2009, the Chief Executive Officer had committed to ensuring that 20% of senior-management positions would be occupied by women by end-2012, a target that was exceeded (compared with 16% in 2009).

In France, women make up 45.8% of managers and 31.8% of executives. At the parent company, BNP Paribas SA, a target was set for each category of managers for end-2015, including 35% women executives.

	2011	2012	2013
% women managers (France)	44.40%	45%	<b>45.80%</b>
% women executives (France)	28.5%	30%	<b>31.80%</b>
% women in senior management (Group)	19.30%	21.30%	<b>22%</b>

### Average retirement age of employees aged 55 or over

	2011	2012	2013
France	60.0	60.5	<b>60.5</b>
Belgium	58.4	59.7	<b>60.4</b>
Italy	59.5	60.1	<b>58.8</b>
Luxembourg	58.4	58.7	<b>58.7</b>
Europe (excluding domestic markets)	n/a*	n/a	<b>59.7</b>
Rest of the world	n/a	n/a	<b>60.8</b>
<b>Total</b>	<b>59.4</b>	<b>60.2</b>	<b>60.2</b>

\* n/a: not available.

### Number of employees with disabilities

Among the countries legally authorised to record worker as disabled, 2,900 were listed as present in 25 countries in the Group. There were 265 recruitments in 12 countries in 2013. (In 2012, the Group employed 2,600 disabled workers in 17 countries, and more than a hundred new hires took place in seven countries).

	2011	2012	2013
France	1,114	1,248	<b>1,350</b>
(of which BNP Paribas SA)	(983)	(1,088)	<b>(1,170)</b>
BNP Paribas Fortis Belgium	59	68	<b>66</b>
Italy	532	635	<b>660</b>
(of which BNL)	(n/a*)	(513)	<b>(520)</b>
Luxembourg	35	36	<b>59</b>
(of which BGL BNP Paribas)	(n/a)	(27)	<b>(47)</b>
Europe (excluding domestic markets)	n/a	620	<b>720</b>
Rest of the world	n/a	17	<b>50</b>
<b>Total</b>	<b>n/a</b>	<b>2,624</b>	<b>2,905</b>

\* n/a: not available.

### Employee-management dialogue

#### Number of collective agreements signed

214 collective agreements signed in 13 countries covering 72% of employees on issues ranging from compensation and benefits, employment, organisation of work, governance of employee relations, health and safety at work, disability and diversity.

	2011	2012	2013
France	73	69	<b>90</b>
(of which BNP Paribas SA)	(6)	(8)	<b>(7)</b>
Belgium	15	12	<b>11</b>
(of which BNP Paribas Fortis)	(14)	(10)	<b>(7)</b>
Italy	56	51	<b>46</b>
(of which BNL)	(25)	(30)	<b>(23)</b>
Luxembourg (industry agreement)	1	1	<b>1</b>
Europe (excluding domestic markets)	n/a*	5	<b>34</b>
Rest of the world	n/a	10	<b>32</b>
<b>Total</b>	<b>145</b>	<b>148</b>	<b>214</b>

\* n/a: not available.

### A competitive compensation policy

#### Average annual compensation<sup>(1)</sup>

	2012	2013
France <sup>(2)</sup>	€51,477	<b>€51,615</b>
Belgium <sup>(3)</sup> (BNP Paribas Fortis)	€69,023	<b>€69,920</b>
Italy <sup>(4)</sup> (BNL)	€49,001	<b>€49,712</b>
Luxembourg <sup>(5)</sup>	€75,597	<b>€77,978</b>

(1) Gross data for permanent workforce as at 31/12/2013 excluding employers' contributions but including fixed salary, commissions and variable compensation paid throughout the year, excluding deferred payments from previous years, recruitment bonuses, excluding amounts paid for profit-sharing and investment plans.

(2) All entities excluding Real Estate, for a 35-hour week with a 100% theoretical basis for part-time employees, excluding employees who have been employed for less than two years and excluding executive management.

(3) Excluding employees with less than two years of seniority, part-time employees, those absent for more than one month in the year, on leave without pay, expatriates, seconded employees, members of the BNP Paribas Fortis Executive Committee, and compensation data including all items subject to payroll taxes including deferred payments from past years (55% of workforce covered).

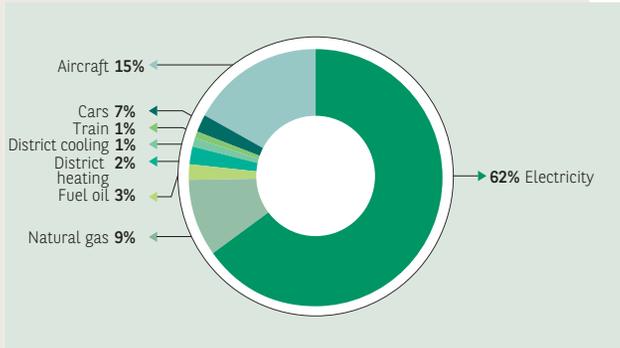
(4) BNL SpA scope, excluding expatriates, members of the BNL Executive Committee, and those employed for less than two years.

(5) Based on a 40-hour working week and including managers and members of the BGL BNP Paribas Executive Committee.

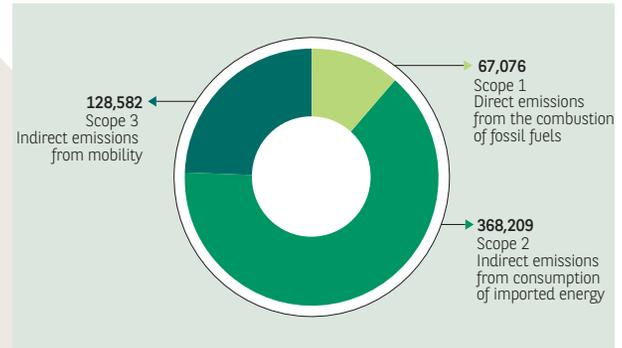
## ENVIRONMENTAL INDICATORS

To monitor successful implementation of measures addressing its direct environmental impact, an environmental-reporting system is in place supported by contributors in 18 countries, covering 84.8% of the workforce managed by the Group at 31 December 2013. Some forty indicators are reported in this campaign: kWh, m<sup>3</sup> of gas, km travelled, litres of water, tonnes of paper, tonnes of waste, etc. By extrapolating for the 15.2% not covered, the results are used to calculate the environmental data mentioned in this section for the whole Group and presented below.

**Total greenhouse gas emissions:**  
**563,867 tCO<sub>2</sub> equivalent, i.e. 3.06 tCO<sub>2</sub> equivalent per FTE**  
 (2012: 605,644/3.21)

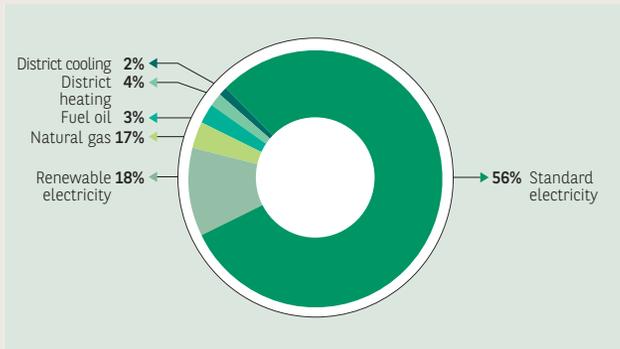


**Breakdown of these emissions by scope of the GHG Protocol/ISO 14064-1**



Greenhouse-gas emissions (GHGs) are measured by converting the energy consumed in buildings (heating, air conditioning, lighting, IT power supply) and in business travel (air, rail, road) into tonnes of CO<sub>2</sub> equivalent (t CO<sub>2</sub>-e, including all six greenhouse gases covered by the Kyoto protocol).

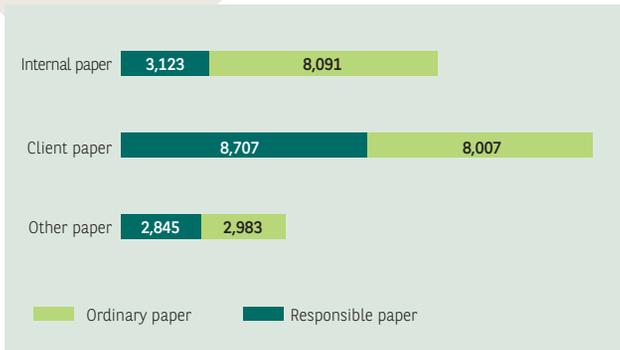
**Energy consumed in buildings:**  
**1,662 GWh, i.e. 226 kWh/sq.m**  
 (2012: 1,751/227)



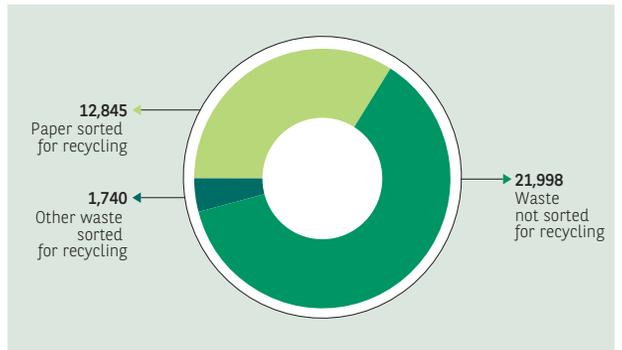
**Business travel:**  
**818 million km, i.e. 4,431 km per FTE**  
 (2012: 871/4,618)



**Total paper consumption:**  
**28,415 tonnes, i.e. 154 kg per FTE**  
 (2012: 31,147/165)\*



**Office waste: 36,583 tonnes, i.e. 198 kg per FTE, of which 39.9% is sorted for recycling**  
 (2012: 37,841/201/38.0%)



\*Consumption disclosed in the 2012 Registration Document totalled 33,756 tonnes, or 179 kg per FTE. It has been adjusted here for the bias caused by the double counting of a supplier.

## COMPLIANCE WITH GOOD CORPORATE GOVERNANCE CRITERIA

Good corporate governance criteria	BNP Paribas corporate governance	
<b>Board of Directors</b>		
<b>Membership of the Board</b>	<b>15 directors, including:</b> - 13 elected by shareholders and 2 by the employees. - 3 different nationalities. - 10 independent directors. - 5 women The roles of Chairman and Chief Executive Officer are separated.	
<b>Directors' term of office</b>	Three years.	
<b>Meetings of the Board of Directors and average attendance rate</b>	Eight meetings, of which 2 exceptional meetings. In addition, the Board met once for a strategic seminar. Average attendance rate of 92%.	
<b>Annual assessment of Board and Board Committee practices</b>	Annual assessment based on an anonymous questionnaire covering the Board's organisation, practices and procedures (46 questions grouped under ten headings, with a rating scale).	
<b>Dividend</b>	At the Annual General Meeting on 14 May 2014, the Board of Directors will recommend a dividend of EUR 1.50 per share, (unchanged on 2013). The total payout proposed will amount to EUR 1,868 million compared with EUR 1,863 million in 2013 (representing an increase of 0.2%). The payout rate is 40.8% <sup>(1)</sup> .	
<b>Board Committees</b>		
	<b>Number of members (number of independent members)</b>	<b>Number of meetings (attendance rate)</b>
<b>Financial Statements Committee<sup>(2)</sup></b>	<b>Five members at end 2013</b> The Committee is made up of four independent directors, representing a rate of 80%, and a majority of its members have experience and skills in financial management, accounting and financial reporting.	Four meetings <sup>(2)</sup> 93%
<b>Internal Control, Risk Management and Compliance Committee<sup>(2)</sup></b>	<b>4 members at end 2013</b> The Committee has a three-quarter majority of independent directors, higher than the two-thirds recommended by the Corporate Governance Code. A majority of members are independent directors and have extensive expertise in finance and risk management through their professional training or experience.	Four meetings <sup>(2)</sup> 100%
<b>Corporate Governance and Appointments Committee</b>	<b>3 members at end 2013</b> Independent directors account for two-thirds of the Committee members. Its members are well versed in corporate governance and senior management issues in international companies.	Four meetings <sup>(2)</sup> 92%
<b>Compensation Committee</b>	<b>4 members at end 2013</b> Three-quarters of members are independent directors and have experience in compensation systems and market practices in this field. Three of its members of are also members of the Internal Control, Risk Management and Compliance Committee, to encourage coordination of the compensation principles and risk policy.	Four meetings <sup>(2)</sup> 100%
<b>Annual General Meeting of shareholders</b>		
<b>Best practices</b>	Commitment by directors to put their office at the Board's disposal in the event of a significant change in their duties or appointments. - One share entitles the holder to one voting right and one dividend: no double voting rights, no limitation on votes. - There are no poison-pill defences against cash or share offers. - Shareholders may vote using the internet prior to the AGM. - Results are released immediately with details of the quorum after the AGM.	
<b>Annual General Meeting of 15 May 2013</b>	12,832 shareholders voted in respect of 856,857,573 shares, an attendance rate of 69.03%.	

(1) Dividend recommended at the 14 May 2014 Annual General Meeting expressed as a percentage of net income Group share.

(2) The duties of the Audit Committee, which was set up in 1994, have been shared out between a Financial Statements Committee and an Internal Control, Risk Management and Compliance Committee.

(3) In addition, the Financial Statements Committee and the Internal Control, Risk Management and Compliance Committee met twice in a joint meeting, with a 92% attendance rate. These two committees thus met ten times during 2013, whether together or separately.

### >> Further information about BNP Paribas corporate governance.

Further information on the membership and practices of the Board of Directors and the Executive Committee, executive compensation and other aspects of corporate governance can be found in section 2 of the Registration Document. One chapter is devoted to compensation and benefits awarded to the Group's corporate officers.

## STATUTORY AUDITORS' REVIEW REPORT

### Review report by one of the Statutory Auditors on a selection of sustainable development indicators published in the BNP Paribas 2013 Corporate Social Responsibility Report

Further to your request and in our capacity as Statutory Auditor of BNP Paribas, we have carried out work for the purpose of enabling us to express reasonable assurance on a selection of social and environmental indicators published in the "Indicators" appendix to the BNP Paribas 2013 Corporate Social Responsibility Report.

The following sustainable development indicators were selected by BNP Paribas for the purposes of the review:

#### • Social section:

- "FTE workforce" indicator (worldwide),
- "Movements" indicator (worldwide),
- "Breakdown of Group workforce by age and gender" indicator (worldwide),
- "Fixed-term employment rate" indicator (worldwide),
- "Number of women appointed to senior management" indicator (worldwide),
- "Average retirement age of employees aged 55 or over" indicator (domestic markets),
- "Employees with disabilities" indicator (domestic markets),
- "Social dialogue: number of collective agreements signed" indicator (domestic markets),
- "E-learning: number of modules completed" indicator (domestic markets);

#### • Environmental section:

- "Electricity consumption" indicator (worldwide) as used in calculating greenhouse gas (GHG) emissions data (scope II),
- "Natural gas consumption" indicator (worldwide) as used in calculating GHG emissions data (scope I),
- "Fuel consumption" indicator (worldwide) as used in calculating GHG emissions data (scope I),
- "District heat consumption" indicator (worldwide) as used in calculating GHG emissions data (scope II),
- "District cold consumption" indicator (worldwide) as used in calculating GHG emissions data (scope II),
- "Business air travel" indicator (worldwide) as used in calculating GHG emissions data (scope III),
- "Business rail travel" indicator (worldwide) as used in calculating GHG emissions data (scope III),
- "Travel by car" indicator (worldwide) as used in calculating GHG emissions data (scope III),
- "Greenhouse gas (GHG) emissions in tCO<sub>2</sub>e" indicator (worldwide) for scope I, II and III emissions,
- "Total paper consumption" indicator (worldwide),
- "Responsible paper consumption" indicator (worldwide).

These sustainable development indicators for 2013 were prepared under the responsibility of Group Human Resources and the Corporate Social Responsibility Department of the BNP Paribas Group in accordance with the Group's "2013 social reporting protocol" and "2013 environmental reporting protocol" as used by BNP Paribas, available from the BNP Paribas Group Corporate Social Responsibility Department. Our role is to form a conclusion on the selected indicators, based on our work.

### Nature and scope of our work

We performed the procedures in accordance with IFAC standard ISAE 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and in accordance with French professional standards.

We performed the procedures described below to obtain reasonable assurance about whether the selected sustainable development indicators and issues are free of material misstatement.

#### • At the Group level

- We reviewed the reporting procedures used by BNP Paribas at Group level in light of their appropriateness, reliability, objectivity and clarity.
- We performed analytical procedures and verified, on a test basis, that the data used to produce the social and environmental indicators had been correctly calculated and consolidated. This work involved, in particular, interviews with the persons from the BNP Paribas Corporate Social Responsibility Department, the Group Human Resources Department and the disability management team (Mission Handicap) responsible for compiling and applying the procedures and consolidating the data..

#### • We selected a sample of entities, as follows:

- France: BNP Paribas SA in Paris (social indicators), ITP ARF and IMEX in Paris (environmental indicators);
- France: BNP Paribas Personal Finance and BNP Paribas Securities Services in Paris (social indicators) ;
- Belgium: BNP Paribas Fortis in Brussels (social and environmental indicators);
- Italy: BNL in Rome and Findomestic in Florence (social and environmental indicators);
- Poland: BNP Paribas Bank Polska in Krakow (social and environmental indicators);
- UK: BNP Paribas UK in London (social and environmental indicators);
- Turkey: TEB in Istanbul (social and environmental indicators);
- United States: Bank of the West in San Francisco, CA (social and environmental indicators).

This selection was made on the basis of the quantitative and qualitative criteria applied to the indicators.

• **With regard to the selected entities:**

- we checked that the procedures had been properly understood and correctly implemented on the basis of interviews with the persons responsible for preparing the data;
- we performed in-depth checks on a test basis to verify the calculations and reconcile the data with the supporting documents.

The contribution of these entities to the Group's consolidated indicators represents 54% for social indicators and between 51% and 70% for environmental indicators. We were assisted in our work by our teams specialised in sustainable development.

## Conclusion

### Social and environmental indicators

In our opinion, the social and environmental indicators and issues selected comply, in all material respects, with the Group's "2013 social reporting protocol" and "2013 environmental reporting protocol" as used by BNP Paribas and applicable for the year 2013.

Neuilly-sur-Seine, 13 May 2014

One of the Statutory Auditors  
PricewaterhouseCoopers Audit

Étienne Boris  
Partner

Sylvain Lambert  
Partner in charge of the Sustainable Development Department

## FOR FURTHER INFORMATION

Learn more about BNP Paribas' commitment to sustainable development or consult the online version of the 2013 CSR report at:

<http://www.bnpparibas.com/en/responsible-bank/csr>

Other accessibility-enhanced publications are available at:

<http://www.bnpparibas.com/en>

We wish to thank the Head of Human Resources and employees of Flexpack for their time and involvement in the front-page photograph. We also wish to thank all the Group employees who contributed to this CSR Report.



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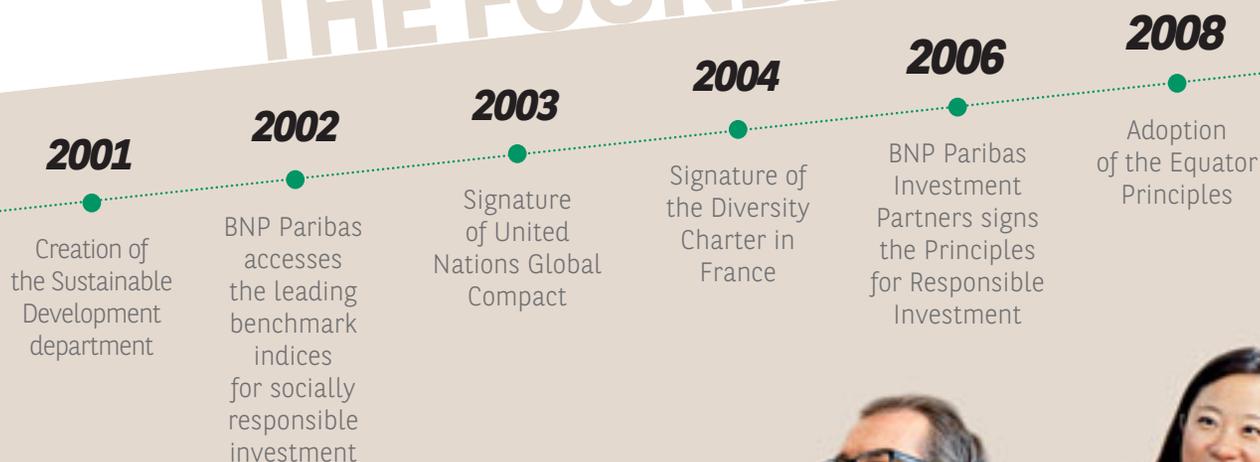
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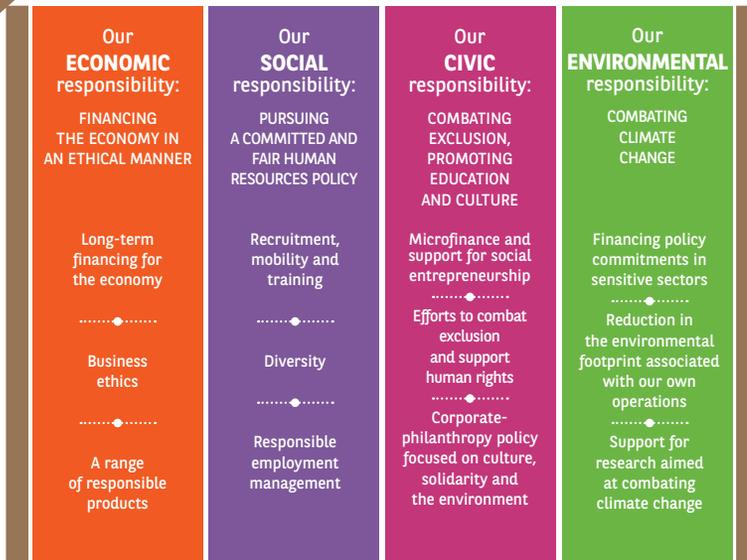


## THE FOUNDATIONS



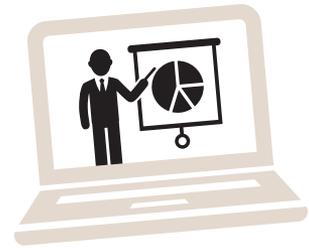
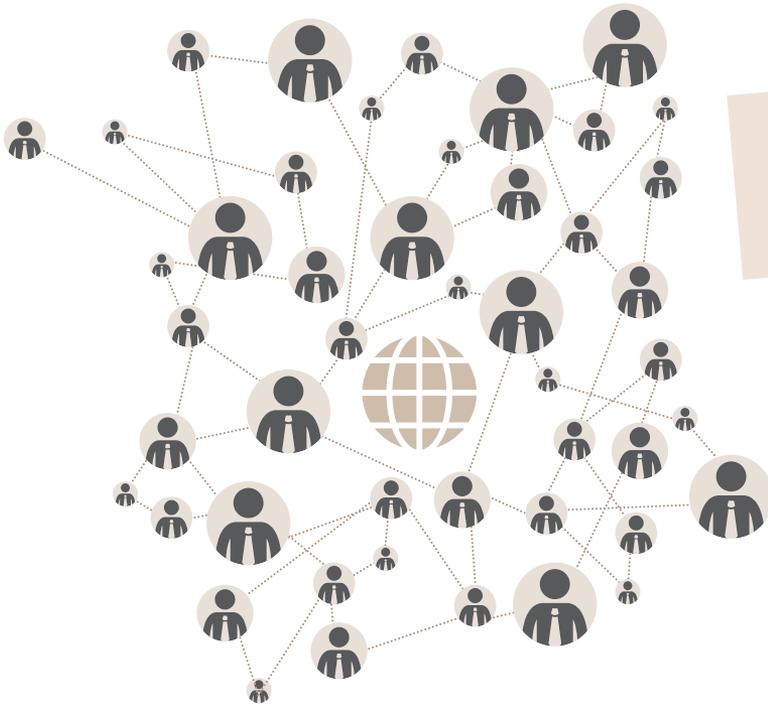
# A RESPONSIBLE BANK

4 pillars, 12 commitments



## STRUCTURING





# DEPLOYMENT

**2012**

BNP Paribas creates a network of 130 CSR officers around the world

**2012**

Ranked no. 1 in the banking sector for CSR by Vigeo

**2012**

Detailed targets set for 2015

**2013**

Integration of extra-financial criteria in variable compensation for 5,000 Group managers

**2014**

BNP Paribas reaffirms its commitment to the aim of being a responsible bank in its 2014-2016 Development Plan



“Know how to respond to the future challenge of energy transition.”



*Marion Guillou*  
Member of BNP Paribas' Board of Directors,  
Chairperson of Agreenium

## PERSPECTIVES

“BNP Paribas’ positioning as a responsible bank is significant and, in my estimation, ingrained in the bank’s DNA. Its support for economic development in the countries in which the Group operates and its commitment to countering exclusion are part of a long-term vision. I am firmly convinced that BNP Paribas will also know the right steps to take in response to the pressing issue of

energy transition; financial instruments must be created, and products and services must be designed to support the changes required by government, business, and indeed each and every one of us. A long-term approach has always been one of the strengths of a bank like BNP Paribas. It holds all the key attributes to successfully implement its social and environmental strategy.”



# FINANCIAL EDUCATION

In 2013, more than 100,000 people attended the financial-education programmes run by the bank in Turkey as part of the TEB Family Academy initiative.



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