

# HOW THE BANK IS DRIVING CHANGE



2015 ANNUAL REPORT



**BNP PARIBAS**

The bank for  
a changing  
world

## BNP PARIBAS, AN INTEGRATED MODEL, A GUARANTEE OF PERFORMANCE

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BNP Paribas is the bank for a changing world, aware of the changes affecting society, attuned to its concerns and committed to meeting its future needs. Through examples and highlights of the past year, the 2015 Annual Report presents not only the BNP Paribas Group, but also provides answers to questions in society on the role of banks.

BNP PARIBAS

**AN INTEGRATED MODEL,  
A GUARANTEE  
OF PERFORMANCE**

# AN INTEGRATED GROUP AND EUROPEAN LEADER

The capacity to serve a diversified client base is at the heart of BNP Paribas' business model.

The Group serves nearly 32 million individual customers and 1 million professionals, entrepreneurs, small and medium-sized enterprises and large corporate clients in its retail-banking networks. In addition, BNP Paribas Personal Finance has more than 20 million active customers.

With global reach, coordinated business lines and proven expertise, the Group provides a full range of innovative solutions adapted to client needs. These

include payments, deposits, traditional and specialised financing, savings, protection insurance, wealth and asset management as well as real-estate services.

In the area of corporate and investment banking, the Group offers clients access to the capital markets, securities services, cash management, fixed income and foreign-exchange products, structured-finance solutions as well as advisory and risk-hedging solutions for all asset classes.

With a presence in 75 countries, BNP Paribas helps clients to grow internationally. ■

## OUR ACTIVITIES

The BNP Paribas Group is organised around two main activities:  
Retail Banking & Services (comprising Domestic Markets and International Financial Services)  
and Corporate & Institutional Banking.

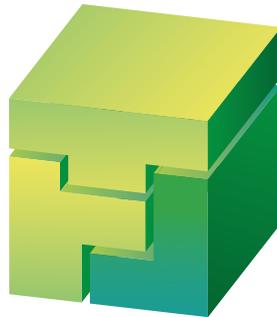
### RETAIL BANKING & SERVICES

#### Domestic Markets

French Retail Banking  
BNP Paribas Fortis  
BNL  
BGL BNP Paribas  
Arval  
BNP Paribas Leasing Solutions  
BNP Paribas Personal Investors

#### International Financial Services

BNP Paribas Personal Finance  
International Retail Banking  
BNP Paribas Cardif  
BNP Paribas Wealth Management  
BNP Paribas Investment Partners  
BNP Paribas Real Estate



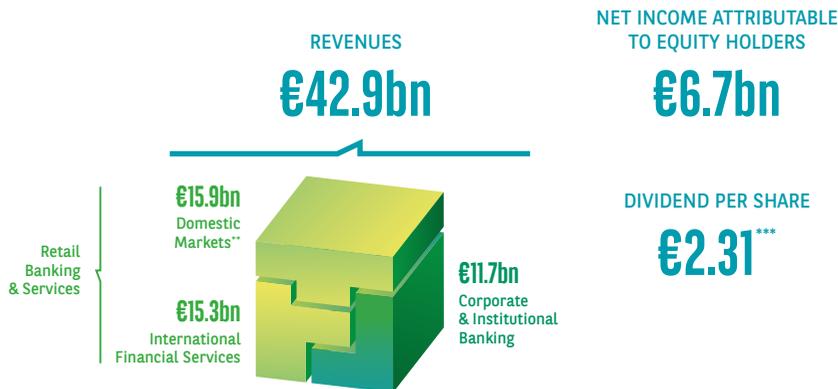
### CORPORATE & INSTITUTIONAL BANKING

Corporate Banking  
Global Markets  
BNP Paribas Securities Services

# 2015 ANNUAL RESULTS

Against the backdrop of a gradual recovery in economic growth in Europe, BNP Paribas delivered a good operating performance in 2015. Revenues totalled €42.9 billion, up 9.6% compared to 2014. Revenues rose in all operating divisions with a sound performance by Domestic Markets and marked increases at both International Financial Services and Corporate & Institutional Banking. Reporting a net income Group share of €6.7 billion, BNP Paribas delivered solid financial results, thanks to an integrated, diversified business at the service of clients. In terms of solvency ratios, the fully-loaded Basel 3 common equity Tier 1\* ratio was 10.9% at 31 December 2015. The Group also reaffirmed the objectives set out in its 2014-2016 Business Development Plan.

## GOOD OPERATING PERFORMANCE



## GOOD FINANCIAL STRENGTH

A HIGH SOLVENCY RATIO\*

10.9%

A VERY LARGE LIQUIDITY RESERVE

€266bn

\*Fully-loaded Basel 3 common equity Tier 1 ratio as at 31 December 2015, taking into account all CRD IV (Capital Requirements Directive) rules with no transitory provisions.

\*\*Includes 100% of Private Banking revenues in the four domestic markets (excluding PEL/CEL effects).

\*\*\*Subject to the approval of the Annual General Meeting of 26 May 2016.

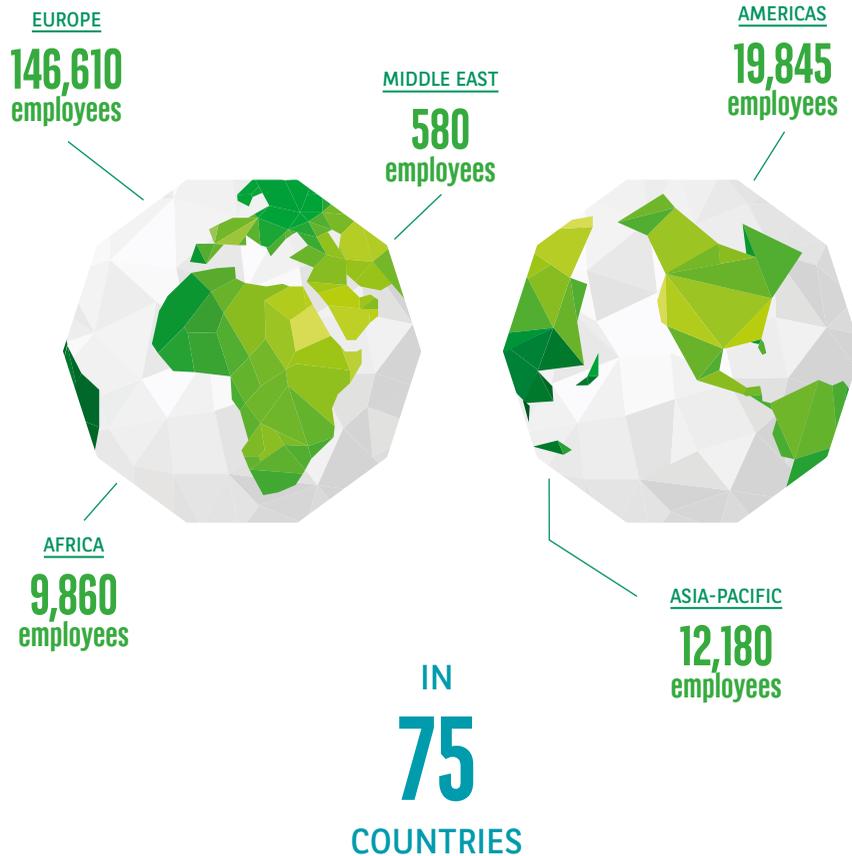


Additional information can be found in the 2015 Registration Document and Annual Financial Report on [invest.bnpparibas.com](http://invest.bnpparibas.com)

# OUR WORLDWIDE PRESENCE

BNP Paribas is a European Group with global reach.

MORE THAN  
**189,000**  
EMPLOYEES



# THE DUTIES OF THE CHAIRMAN AND THE BOARD OF DIRECTORS



**JEAN LEMIERRE**

CHAIRMAN OF  
THE BOARD OF DIRECTORS

## The Chairman

The Chairman is responsible for ensuring that the quality of the relationship with shareholders is maintained, coordinating with any steps taken by Executive Management in this area. In this connection, the Chairman chairs the Shareholder Liaison Committee.

The Chairman provides support and advice to the Chief Executive Officer, while respecting his executive responsibilities.

Coordinating closely with Executive Management, the Chairman can represent the Group in its high-level relationships, at national, European and international levels.

The Chairman contributes to promoting the values and image of BNP Paribas, both within the Group and externally.

At the request of the Chief Executive Officer, he can take part in any internal meeting on subjects relating to strategy, organisation, investment or disinvestment projects, risks and financial information.

Together with the other members of the Board of Directors, the Chairman oversees the implementation of the Group's Business Development Plan.

## The Board of Directors

The Board of Directors formulates BNP Paribas' strategy and overall business objectives based on proposals submitted by Executive Management. It appoints the Chief Executive Officer and the Chief Operating Officers. It examines and decides on strategic operations and oversees the implementation of the objectives it has approved. The Board is also kept regularly informed of the Group's liquidity situation and ongoing commitments.

In 2015 the Board of Directors examined the 2014-2016 Development Plan in light of the operating divisions' performance, the deteriorating economic environment, the fall in interest rates and the impact of new taxes and regulations.

The relevance of the choices made in the Plan was confirmed, in particular those regarding projects preparing the bank of the future, the good results of the Plan in the various regions, the strengthening of capacities in terms of compliance and control, and a stringent risk-management policy. ■

THE BOARD OF DIRECTORS

1

**JEAN LEMIERRE**  
Chairman of the Board  
of Directors of  
BNP Paribas

2

**JEAN-LAURENT BONNAFÉ**  
Chief Executive  
Officer and Director  
of BNP Paribas

3

**PIERRE-ANDRÉ  
de CHALEDAR**  
Chairman and  
Chief Executive Officer  
of Saint-Gobain

4

**MONIQUE COHEN**  
Partner of  
Apax Partners

## THE BOARD OF DIRECTORS

The Board of Directors is  
comprised of 14 directors, 12 of whom  
were appointed by the shareholders  
and 2 elected by employees.  
There is an equal representation  
of men and women, and there are  
four different nationalities.

5

**MARION GUILLOU**  
Chairwoman  
of Agreenium

6

**DENIS KESSLER**  
Chairman and  
Chief Executive Officer  
of SCOR SE



7

**JEAN-FRANÇOIS LEPETIT**  
Director  
of companies

8

**NICOLE MISSON**  
Customer Advisor,  
Director elected by  
BNP Paribas employees

9

**LAURENCE PARISOT**  
Vice-Chairwoman  
of the Management  
Board of Ifop SA

10

**DANIELA SCHWARZER**  
Member of the  
Executive Committee  
of the German  
Marshall Fund

12

**EMIEL VAN  
BROEKHOVEN**  
Economist,  
Honorary Professor  
at the University  
of Antwerp

13

**SANDRINE VERRIER**  
Production and sales  
support assistant,  
Director elected by  
BNP Paribas employees

11

**MICHEL TILMANT**  
Manager of Strafin sprl

OTHER CORPORATE OFFICER

**PHILIPPE BORDENAVE**  
Chief Operating Officer of BNP Paribas

14

**FIELDS WICKER-MIURIN**  
Co-founder  
and Partner  
at Leaders' Quest

# CODE OF CONDUCT

On 31 March 2016 the Board of Directors adopted BNP Paribas' new Code of Conduct. This document is aimed at employees and sets out the rules governing behaviour in accordance with the Group's values.



# FOREWORD\*

The Board of Directors and General Management of BNP Paribas share the conviction that the success of the bank depends directly on the behaviour of each employee.

Together, we are committed to building the future of BNP Paribas on the foundations of professional expertise and integrity.

This requires ensuring the engagement of all employees across the Group, and earning the trust of our partners, clients and shareholders, as well as public officials and representatives of civil society in every country where the bank does business.

To do this, we must of course scrupulously comply with laws and regulations. At the same time, we must go further and make certain that every decision is guided by a deep sense of ethical responsibility. This begins with an ability to learn from inappropriate practices.

The world in which the bank operates continues to change at an accelerated pace. BNP Paribas can manage these changes by anticipating them, adapting and innovating thanks to a corporate culture anchored by solid values that are applied without compromise.

This spirit has shaped our Code of Conduct, which defines the rules which govern all our actions, consistent with our core values. This Code of Conduct

\* Find the Code of Conduct in full on <https://group.bnpparibas/en/group/strategy-corporate-culture>

guides our thinking and our behaviour. It expresses what we aspire to be: one of the most respected European banks with a global reach.

The Code of Conduct is a guide for our actions and decisions. There are no specific rules that can apply to every situation. Rather, the Code of Conduct should be sufficiently embedded to ensure that, aided by personal judgement, this spirit is always respected.

We place our trust in all our employees to fully engage with these values and principles, which underpin our contribution to society, our unity and our success.

31 March 2016



**Jean Lemierre**  
Chairman of the Board  
of Directors



**Jean-Laurent Bonnafé**  
Chief Executive  
Officer





## JEAN-LAURENT BONNAFÉ

CHIEF EXECUTIVE OFFICER

**"2015 ENABLES US  
TO LOOK TO THE FUTURE AND PREPARE  
BNP PARIBAS FOR 2020."**

# INTERVIEW WITH THE CHIEF EXECUTIVE OFFICER

## What is your assessment of 2015?

**JEAN-LAURENT BONNAFÉ** — 2015 was a very good year for all our business lines. Revenues exceeded €40 billion, an increase of 9.6% compared to 2014, and they grew in all operating divisions. Excluding exceptional items, net income was more than €7 billion. Beyond a good performance, these solid results demonstrate the relevance of our integrated and diversified banking model. They provide us with the means to take the next step in realising our ambition, thanks to our ability to invest.

## 2015 was also an opportunity to review the 2014-2016 Business Development Plan and the implementation of your commitments at the mid-way point. What can you tell us?

**J-L B** — Despite moderate growth in Europe, low interest rates and higher regulatory costs, we are on track to successfully complete our 2014-2016 Business Development Plan. As an example, our targets for the Asia-Pacific region and CIB in North America have already been met. The 10% target for return on equity in 2016 based on a fully-loaded Basel 3 CET1 ratio of 10% is confirmed. Furthermore, we have considerably bolstered the mission of our Compliance teams. And we have stepped up commitments to the energy transition and sustainable development: in specific terms we will more than double our financing of the renewable-energy sector to more than €15 billion by 2020, and we will also strengthen our carbon-risk management.

## Can you tell us more about the measures taken regarding compliance?

**J-L B** — For two years we have undertaken a fundamental restructuring of our organisation and put in place strict

controls regarding geopolitical and societal risk. Every activity of BNP Paribas now passes through a compliance filter which today constitutes the backbone of banks in terms of regulation. We have devoted significant resources to the reorganisation of our Compliance function: we recruited a thousand people in 2015 and its annual budget is around €600 million.

## You also undertook in 2015 to redefine the Group's culture and fundamentals. Why launch such an initiative?

**J-L B** — Our industry is undergoing a major transformation. We therefore need to evolve and to reaffirm our *raison d'être*. We defined our vision to be the reference among European banks with a global reach, the preferred long-term partner to our clients, and a contributor to responsible and sustainable global development. We have also refined our mission and affirmed the values that we stand for. Lastly, we have assembled in a new Code of Conduct the rules governing employee behaviour in accordance with our mission and values.

## Once the 2014-2016 Business Development Plan is completed, what will be the next steps for BNP Paribas?

**J-L B** — Beyond 2016 we will continue implementing the long-term strategies of our business lines. We will also accelerate our growth in the digital domain, in certain geographical regions, and in certain business lines. Corporate & Institutional Banking has announced the implementation of an ambitious transformation plan that will last until 2019. The plan's goal is to strengthen European leadership, take advantage of long-term growth in the Asia-Pacific region and align CIB's platform in North America with the Group's strategy and clients. ▶

- ▶ The plan also aims to generate €1 billion in cost savings and to free up capital. CIB will focus on targeted growth, particularly by growing businesses that use less capital, by building on its strong positions in derivatives, by developing digital platforms, and by capitalising on targeted geographical initiatives. Overall, CIB aims to improve its pre-tax income by €1.6 billion compared to 2015.

#### What about Retail Banking & Services?

**J-L B** — To keep pace with evolving customer behaviour and expectations, the Domestic Markets business will focus on digitalisation and on greater customisation in the coming years. It will offer customers more online and differentiated service models. Customer “journeys” will be reinvented to deliver a value-added customer experience. Better knowledge of our customers will also enable us to be more proactive and optimise the effectiveness of our sales efforts. This will in turn improve service quality and increase customer loyalty. We will boost digital sales by enabling customers to purchase all our products and services online, and we will develop special offers similar to what is done in other e-commerce sectors. For its part, International Financial Services will benefit from new partnerships, in particular in the insurance business and in Personal

Finance with regards to automobiles and distribution. IFS will strengthen cross-selling with CIB but also with the Group’s retail-banking networks for its specialised business lines. IFS will also expand its digital solutions in all businesses, especially by accelerating the growth of mobile banking, including in new countries, and by focusing on innovative solutions.

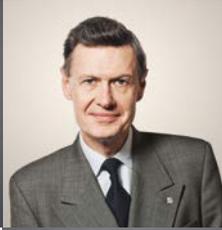
#### In your opinion, what opportunities lie ahead for BNP Paribas?

**J-L B** — Digitalisation is a major transformational area and it will be central to our growth. BNP Paribas devotes around €1 billion per year to digital investments. And these investments are bearing fruit. In 2015 Hello bank!, the Group’s 100% digital mobile bank, doubled its share of revenues from individual customers compared with 2014. All business lines are making progress in digitalisation, which is transforming the bank in a major way in terms of organisation, processes and client culture. Digitalisation is also transforming the competitive landscape through new entrants such as Fintechs. They are inventing new services and usages that are helping to expand our market. They are also sources of inspiration because we can work with them and generate synergies. ■

“WE WANT TO BECOME  
A WORLD LEADER  
IN TOMORROW’S  
BANKING INDUSTRY.”

THE EXECUTIVE COMMITTEE

**JEAN-LAURENT BONNAFÉ** ▶  
Chief Executive Officer and Director



◀ **PHILIPPE BORDENAVE**  
Chief Operating Officer



◀ **MICHEL KONCZATY**  
Deputy Chief Operating Officer



▲ **JACQUES D'ESTAIS**  
Deputy Chief Operating Officer

▲ **THIERRY LABORDE**  
Deputy Chief Operating Officer

▲ **ALAIN PAPIASSE**  
Deputy Chief Operating Officer



◀ **MARIE-CLAIRE CAPOBIANCO**  
French Retail Banking



◀ **LAURENT DAVID**  
BNP Paribas Personal Finance



◀ **STEEFAAN DECREAENE**  
International Retail Banking



▲ **RENAUD DUMORA**  
BNP Paribas Cardif

▶ **YANN GÉRARDIN**  
Corporate & Institutional Banking



THE EXECUTIVE COMMITTEE

The Executive Committee comprises the Chief Executive Officer, the Chief Operating Officer and heads of Group business lines and functions.

▶ **ÉRIC MARTIN**  
Compliance



◀ **MAXIME JADOT**  
BNP Paribas Fortis

▶ **YVES MARTRENCAR**  
Group Human Resources



◀ **ANDREA MUNARI**  
BNL



◀ **ÉRIC RAYNAUD**  
Asia-Pacific



◀ **FRANK RONCEY**  
Risk



◀ **THIERRY VARÈNE**  
Key Accounts

# RETAIL BANKING & SERVICES

RETAIL BANKING & SERVICES INCLUDES THE GROUP'S RETAIL BANKING NETWORKS AND SPECIALISED FINANCIAL SERVICES IN FRANCE AND AROUND THE WORLD. IT IS DIVIDED INTO DOMESTIC MARKETS AND INTERNATIONAL FINANCIAL SERVICES.

1

## Domestic Markets

Domestic Markets comprises the Group's 4 retail banking networks in the Eurozone and 3 specialised business lines. The retail banks are French Retail Banking (FRB) in France, BNL in Italy, BNP Paribas Fortis in Belgium and BGL BNP Paribas in Luxembourg. The 3 specialised business lines are: Arval (full-service, long-term corporate vehicle leasing); BNP Paribas Leasing Solutions (rental and financing solutions); and BNP Paribas Personal Investors (online savings and brokerage). Cash Management and Factoring round off the services offered to corporate clients. BNP Paribas Wealth Management is developing its private-banking model in the Group's domestic markets.

**No.2 IN EUROPE FOR PROFESSIONAL EQUIPMENT LEASING AND FINANCING<sup>(1)</sup>**

**No.1 IN CASH MANAGEMENT IN EUROPE<sup>(2)</sup>**

(1)Including lease financing and leasing with services, cumulating BNP Paribas Leasing Solutions and Arval. Source: 2014 Leaseurope ranking. (2)Source: Greenwich 2015.

### KEY FIGURES



**68,000**

EMPLOYEES  
IN 27 COUNTRIES



MORE THAN  
**15 MILLION**

INDIVIDUAL CUSTOMERS

NEARLY  
**1 MILLION**  
PROFESSIONALS, SMALL BUSINESS  
AND CORPORATE CLIENTS

2

# International Financial Services

International Financial Services (IFS) comprises diversified, complementary business activities and is present in more than 60 countries.

BNP Paribas Personal Finance offers credit solutions to individuals in around 30 countries through strong brands such as Cetelem, Cofinoga and Findomestic.

International Retail Banking encompasses the Group's retail banks in 15 non-eurozone countries, including Bank of the West in the United States and TEB in Turkey.

BNP Paribas Cardif provides savings and protection solutions in 36 countries, insuring individuals, their personal projects and assets. In addition, IFS has 3 specialised business lines that are leaders in asset management and private banking: BNP Paribas Wealth Management (private banking); BNP Paribas Investment Partners (asset management); and BNP Paribas Real Estate (real estate services).



## A new chapter begins for BNP Paribas Personal Finance

In July 2014 BNP Paribas Personal Finance became sole shareholder of the LaSer group, which merged with BNP Paribas Personal Finance in September 2015. This development reinforces the international reach of BNP Paribas Personal Finance and strengthens its position as Europe's leader in consumer finance. As a result of the merger, BNP Paribas Personal Finance has increased its market presence in the United Kingdom, Denmark and Norway. In France the tie-up has benefited from the complementary products, services and distribution channels that existed in each market.

### KEY FIGURES



MORE THAN  
**80,000**  
EMPLOYEES  
IN MORE THAN 60 COUNTRIES

BNP Paribas  
Personal Finance

**No.1  
SPECIALIST PLAYER  
IN EUROPE<sup>(1)</sup>**

BNP Paribas  
Wealth Management

**BEST PRIVATE BANK  
IN EUROPE<sup>(2)</sup>  
AND HONG KONG<sup>(3)</sup>**

(1)Source: annual reports  
of companies specialised in consumer credit.  
(2)Source: *Private Banker  
International* 2012, 2013, 2014, 2015.  
(3)Source: *The Asset Triple AAA* 2015.



### **BNP Paribas steps up its presence in Germany**

At the end of 2015 Consorsbank! and DAB Bank merged in Germany. Together, the two banks make BNP Paribas the 5<sup>th</sup>-largest digital bank in Germany\* with 1.6 million customers and the leading online broker with 11 million trades executed.

\*In terms of clients, on the basis of financial data released by peers.



### **The new customer relationship at French Retail Banking**

In 2015 BNP Paribas continued to roll out *Préférence Client*, an ambitious programme that aims to transform the client relationship and branch network. The goal is to create a new banking benchmark for client relationships in France by mobilising all employees to deliver high levels of customer satisfaction. Through this programme, which focuses on bank branches, personal contact and digitalisation, BNP Paribas is adopting a winning “phygital” formula, which combines a high-performance digital environment with a transformed, physical branch network.



### **Major acquisition for Arval**

In November 2015 Arval finalised the acquisition of GE Capital Fleet Services' fleet-management business in Europe. The deal propelled Arval to the No.1 position in Europe\* for long-term fleet management with services. Worldwide, Arval boasts a fleet of 949,000 leased vehicles.

\*Ranking in terms of leased fleet on the basis of financial data released by peers.

## POLAND



### **BGŻ BNP PARIBAS – A NEW BANK IN POLAND**

Bank BGŻ and BNP Paribas Bank Polska merged on 30 April 2015 to form Bank BGŻ BNP Paribas and become one of the largest commercial banks in Poland. The new bank serves a client base of individuals, SMEs and corporate clients, mainly in the agricultural and agri-food sectors. On 1 December 2015 Bank BGŻ BNP Paribas also closed the acquisition of Sygma Bank Polska. The merger should be completed in the second quarter of 2016; the priorities are to offer consumer finance and enhance customer service.

## PRINCIPAL INVESTMENTS

Principal Investments manages the Group's portfolio of listed and unlisted investments in industrial and commercial companies with a view to achieving medium- to long-term returns as well as offering financing solutions to client needs. The Listed Investment unit acquires and manages minority interests in listed, mainly French, companies. The Private Equity Investment unit brings it support to development projects of unlisted companies by providing financing through minority equity investments or private bonds subscription. It also plays an indirect role in financing the economy through commitments in private-equity funds.

# CORPORATE & INSTITUTIONAL BANKING

CORPORATE & INSTITUTIONAL BANKING IS A LEADING PROVIDER OF FINANCIAL SOLUTIONS TO TWO CLIENT FRANCHISES: CORPORATE CLIENTS AND INSTITUTIONAL INVESTORS.

Corporate & Institutional Banking (CIB) offers bespoke solutions in the areas of capital markets, securities services, financing, treasury and financial advisory. Acting as a bridge between its two client franchises, it aims to connect the financing needs of corporate clients with the investment needs of institutional investors.



## Royal Bank of Scotland chooses BNP Paribas

In 2015 Royal Bank of Scotland (RBS) selected BNP Paribas to be the “referral bank” for its cash management and trade-finance clients following RBS’s decision to refocus on transaction services in its domestic markets of the United Kingdom and in the Republic of Ireland. As at 31 December, 900 entities had confirmed their choice to use BNP Paribas’ services. The ability to offer a dedicated, international corporate-banking solution to RBS clients was decisive. Cash management and trade finance are vital services to facilitate companies’ day-to-day operations. BNP Paribas reaffirmed in 2015 its European leadership position in numerous corporate-banking activities. According to Greenwich Associates’ latest surveys, the Group tops several rankings, including market penetration for cash-management services to European corporates as well as in trade finance.



Corporate Banking

**RMB  
HOUSE OF  
THE YEAR**  
(ASIARISK, 2015)

**No.1 BOOKRUNNER  
FOR ALL EMEA  
SYNDICATED LOANS**  
(DEALOGIC, 2015)

Global Markets

**EQUITY DERIVATIVES  
HOUSE OF  
THE YEAR**  
(2016 RISK AWARDS)

Securities Services

**EUROPEAN  
ADMINISTRATOR  
OF THE YEAR**  
(FUNDS EUROPE AWARDS, NOVEMBER 2015)

# BNP PARIBAS AT THE SERVICE OF ITS SHAREHOLDERS

## Communication with shareholders

BNP Paribas provides shareholders with regular information that reflects best practice in the market as well as the recommendations of stock market authorities. The Investor Relations team informs institutional investors, the bank's 460,000 individual shareholders and financial analysts about the Group's strategy and financial results. It also organises regular meetings in which senior management present the Group's achievements.

### 2016 SHAREHOLDER CALENDAR

|                |  |
|----------------|--|
| 3<br>May       | Publication of first quarter 2016 results  |
| 26<br>May      | Annual General Meeting of shareholders     |
| 29<br>June*    | Shareholders' meeting in Nantes            |
| 28<br>July     | Publication of second quarter 2016 results |
| 17<br>October* | Shareholders' meeting in Aix-en-Provence   |
| 28<br>October  | Publication of third quarter 2016 results  |

\*Subject to change.

## A website for investors

The website [invest.bnpparibas.com](http://invest.bnpparibas.com) offers investors access to all information on the Group. All financial documents can be viewed and downloaded. The financial calendar shows the dates of key events.

## Shareholder Liaison Committee

When BNP Paribas was created in 2000, it decided to set up a Shareholder Liaison Committee to help the Group with its communications with individual shareholders. It is chaired by the Chairman of BNP Paribas and comprises ten shareholders who are both geographically and socio-professionally representative of the individual-shareholder population, along with two present or former employees; each member serves a three-year term. The Committee members met on 10 April and 25 September 2015, in addition to taking part in the Annual General Meeting and attending the Actionaria shareholder trade fair.

## Annual General Meeting of Shareholders



During the Annual General Meeting on 13 May 2015, BNP Paribas reaffirmed its commitment to sustainable development and corporate social responsibility. On this occasion, for every shareholder present at the meeting, the bank earmarked €12 to the *Coup de pouce aux projets du personnel* (a helping hand for employee projects) programme to encourage community initiatives. In 2015, €18,108 were collected and donated to 43 projects in the areas of community outreach, humanitarian aid, healthcare and disability.

## CERCLE DES ACTIONNAIRES



The *Cercle des actionnaires* (Shareholders' Club) celebrated its 20-year anniversary in 2015 and has 51,000 members who each hold at least 200 BNP Paribas shares. Club members are invited each year to more than 300 cultural and sporting events, most of which have a connection with the Group's commitments and those of its Foundation. The Club also holds conferences on the economy. In addition, *La Lettre aux actionnaires* (Letter to Shareholders) provides regular information on the Group's results and strategy. In 2015 BNP Paribas won the *Grand Prix de la Relation Actionnaires* (Grand Prize for Shareholder Relations) awarded by *Investir*, *Les Echos* and *Mazars*.

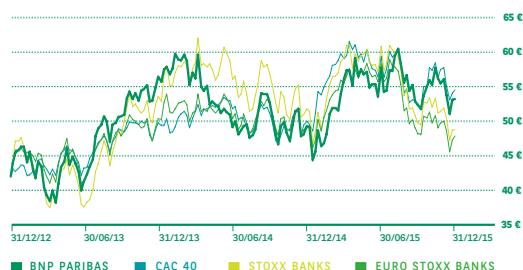


Learn more:  
[www.cercle-actionnaires.bnpparibas.com](http://www.cercle-actionnaires.bnpparibas.com)  
via a free phone number in France: +33 (0) 800 666 777.

SHAREHOLDER FACT SHEET

SHARE PERFORMANCE

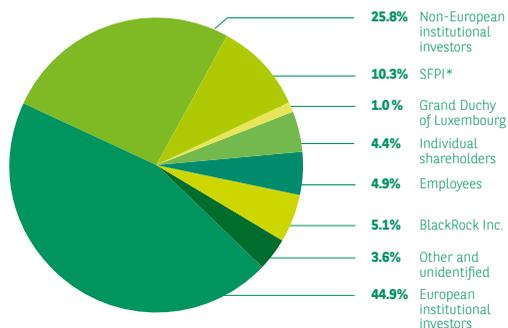
Comparison with the EURO STOXX Banks, STOXX Banks and CAC 40 indices (rebased on share price) between 31/12/2012 and 31/12/2015.



In 2015, as in the previous year, the performance of banking indices was once again hampered by uncertainty over economic growth in Europe and the impact of regulation on the profitability of banking activities. The BNP Paribas share rose 6.0% in 2015, outperforming its banking peers in the eurozone (EURO STOXX Banks: -4.9%) and European banks (STOXX Banks: -3.3%), and slightly underperforming the CAC 40 index (+8.5%). As at 31 December 2015, BNP Paribas' market capitalisation was €65.1 billion, ranking it in 5th place among CAC 40 stocks.

BNP PARIBAS' OWNERSHIP STRUCTURE

AS AT 31 DECEMBER 2015  
(% of voting rights)



DIVIDEND

**€2.31** PER SHARE\*

**+ 54%**

\*Subject to approval at the Annual General Meeting of 26 May 2016.

SHARE CAPITAL

As at 31 December 2015, BNP Paribas' share capital stood at €2,492,770,306, divided into 1,246,385,153 shares with a par value of 2 euros each. The shares are all fully paid-up and are held in registered or bearer form at the choice of their holders, subject to compliance with the relevant legal provisions. None of the bank's shares entitle their holders to an increased dividend or double voting rights or limit the exercise of voting rights.

SHARE CAPITALISATION

**€65.1 BILLION**

AS AT 31 DECEMBER 2015

To the Company's knowledge, only SFPI and BlackRock Inc. hold more than 5% of the share capital or voting rights as at 31 December 2015.

\*Société Fédérale de Participations et d'Investissement: a public-interest limited company (société anonyme) acting on behalf of the Belgian State.

KEY SHAREHOLDER DATA

| In euros                                | 2011     | 2012     | 2013     | 2014      | 2015                |
|---|----------|----------|----------|-----------|---------------------|
| Earnings per share <sup>(1)</sup>       | 4.82     | 5.16     | 3.68**   | (0.07)*** | 5.14                |
| Net book value per share <sup>(2)</sup> | 57.08    | 63.06*   | 65.00**  | 66.61     | 70.95               |
| Net dividend per share <sup>(3)</sup>   | 1.20     | 1.50     | 1.50     | 1.50      | 2.31 <sup>(3)</sup> |
| Pay-out ratio (%) <sup>(4)</sup>        | 25.1     | 29.7     | 40.9**   | n.s.      | 45.0                |
| <b>Share price</b>                      |          |          |          |           |                     |
| High <sup>(5)</sup>                     | 59.93    | 44.83    | 56.72    | 60.85     | 60.68               |
| Low <sup>(5)</sup>                      | 22.72    | 24.54    | 37.47    | 45.45     | 44.94               |
| Year-end                                | 30.35    | 42.61    | 56.65    | 49.26     | 52.23               |
| CAC 40 index on 31 December             | 3,159.81 | 3,641.07 | 4,295.95 | 4,272.75  | 4,637.06            |

(1) Based on the average number of shares outstanding during the year.

(2) Before dividends. Revaluated net assets based on the number of shares outstanding at year-end.

(3) Subject to approval at the Annual General Meeting of 26 May 2016.

(4) Dividend distribution recommended at the Annual General Meeting expressed as a percentage of net income attributable to equity holders.

(5) Registered during trading.

(\*) Restated data due to application of amendment to IAS 19.

(\*\*) Restated data due to application of IFRS 10 and IFRS 11.

(\*\*\*) €4.70 based on net income adjusted for the costs related to the comprehensive settlement with the US authorities.

# TOGETHER WE ARE BUILDING THE BANK FOR A CHANGING WORLD

With more than 189,000 employees in 75 countries, BNP Paribas strives to promote the values detailed in the “BNP Paribas Way” in all business units.

Many initiatives were undertaken in 2015 to ensure the success of the Group's transformation and encourage the promotion of diversity.

## Commitment to gender equality

Encourage men to speak up and commit to promoting gender equality in the workplace at the international level — this is the challenge of UN Women, the United Nations organisation that campaigns for gender equality and women's empowerment. At the launch of a worldwide campaign called “HeForShe”, Jean-Laurent Bonnafé, BNP Paribas CEO, pledged to the UN Women France Committee his commitment to be a HeForShe ambassador in France's national campaign. Bank employees around the world also showed their support. BNP Paribas was one of the first CAC 40 companies to have a board of directors composed equally of men and women, effective following the bank's Annual General Meeting on 13 May 2015.



## Another way of working

In 2015 BNP Paribas conducted trials of teleworking and flex-office (workspace sharing) in several business lines in France. The aim was to prepare the bank and employees for new ways of working which enable more collaboration and autonomy but which are also in line with employee expectations. The measures will also help the Group to optimise office space. Following the trial in spring 2016, the initiative is expected to be rolled out starting later in 2016. In Belgium, nearly 4,500 BNP Paribas Fortis employees have already adopted this new method of working.

## A top distinction

The Human Resources team at BNP Paribas in Asia-Pacific received one of the region's most prestigious awards. During the “HR Excellence Awards” ceremony organised by *Human Resources Magazine*, the BNP Paribas team won the Silver prize in the “Excellence in Employee Learning & Development” category. In 2015 more than 8,000 employees in Asia-Pacific (more than 70% of the regional headcount) undertook training. The training centre for the Asia-Pacific region, known as the BNP Paribas Asia-Pacific Campus, is based in Singapore and plays a key role in developing employee skills.

## OUR SHARED CONVICTIONS

At the end of 2015 BNP Paribas unveiled its Vision, Mission and Values (the “BNP Paribas Way”), which collectively make up “Our Shared Convictions”. These reaffirm BNP Paribas’ commitment to clients, employees, shareholders and wider society. They also express the bank’s future aspirations: to be the reference among European banks with a global reach, the preferred long-term partner to our clients, and a contributor to responsible and sustainable global development.

### THE BNP PARIBAS WAY



### BNP Paribas - Top Employer



For the third year in a row, BNP Paribas received in 2016 the “Top Employer Europe” label from the Top Employers Institute. The label rewards high standards and now extends to seven countries where the bank operates: Luxembourg and Spain joined Belgium, France, Italy, Poland and Turkey.

### Richness in diversity

More than 600 BNP Paribas employees in France attended the “Diversity and Inclusion Week” held between 5 and 9 October 2015. Events included roundtables, workshops, conferences as well as entertainment. To mark the occasion, BNP Paribas signed a charter of commitment to *L’Autre Cercle*, a professional association in France that aims to combat discrimination based on sexual orientation and gender identity. Numerous events were also held in countries such as the United Kingdom, Belgium, the United States and Singapore to increase employee awareness of issues surrounding diversity. In 2015 BNP Paribas ranked no.2 (with a score of 85.3%) according to the Workplace Pride foundation, which every year rewards companies for their inclusive policies regarding employees.

### First HR hackathon

On 14 September 2015 60 human-resources professionals from 10 countries and 25 Group entities attended a hackathon with the aim of improving the recruitment experience for job candidates. The event generated new ideas and proposals for the bank’s recruitment process.

# OUR CORPORATE SOCIAL RESPONSIBILITY (CSR)

Since 2012 BNP Paribas' responsibility policy has been built on four pillars with 12 commitments. At the end of 2015 the Group decided to update these 12 commitments in order to better reflect the changes in Corporate Social Responsibility (CSR) issues, as well as the Bank's specific initiatives. All of the Group's business lines, networks, subsidiaries and countries apply this policy. They use the same structure while adapting it to their specific characteristics.

## OUR 4 PILLARS AND OUR 12 COMMITMENTS



### Our ECONOMIC responsibility

Financing the economy in an ethical manner

1. Investments and financing with a positive impact.

2. Ethics of the highest standard.

3. Systematic integration and management of environmental, social and governance risks.



### Our SOCIAL responsibility

Developing and engaging our people responsibly

4. Promotion of diversity and inclusion in the workplace.

5. A good place to work and responsible employment management.

6. A learning company supporting dynamic career management.



### Our CIVIC responsibility

Being a positive agent for change

7. Products and services that are widely accessible.

8. Combat social exclusion and support human rights.

9. Corporate philanthropy policy focused on the arts, solidarity and the environment.



### Our ENVIRONMENTAL responsibility

Combating climate change

10. Partnering with our clients in the transition to a low-carbon economy.

11. Reduce the environmental impact of our operations.

12. Advance awareness and sharing of best environmental practices.

## GOVERNANCE

- driven by a culture of responsibility and integrity,
  - based on best practices and
- involves the Board of Directors, shareholders, management and the entire Group
- to ensure a sustainable future for our business and deliver a positive impact on society.

In order to be in line with the Bank's new CSR strategy, the CSR management indicators have been redefined for the period 2016-2018 and the Group has taken on new quantitative commitments for this period:

KEY INDICATORS

ECONOMIC RESPONSIBILITY

Share of loans to companies contributing strictly to the achievement of UN Sustainable Development Goals



Percentage of employees trained on an ethics-related issue

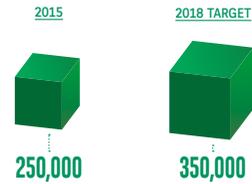


Share of loans to companies subject to an environmental and social management system which is specific to the concerned activity



CIVIC RESPONSIBILITY

Yearly number of beneficiaries of micro-credits allocated by microfinance institutions financed by BNP Paribas (calculated pro rata relative to the financing from BNP Paribas)



SOCIAL RESPONSIBILITY

Percentage of women among the members of transversal executive committees across business lines and/or countries\*



Percentage of employees having at least 14 weeks of paid maternity leave and/or 6 days of paid paternity leave



Percentage of employees who say they have received training (any format, including e-learning) over the past 12 months

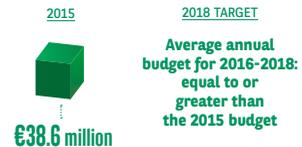


\*Out of approximately 500 people.

Percentage of employees directly contributing to the promotion of human rights who have received dedicated training



BNP Paribas Group's annual corporate philanthropy budget



ENVIRONMENTAL RESPONSIBILITY

Amount of funding devoted to renewable energies



Greenhouse gas emissions

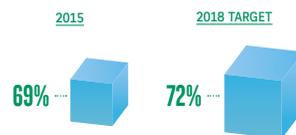


Number of people made aware of climate change issues by BNP Paribas



GOVERNANCE AND STEERING

Percentage of employees having a favourable opinion on the way the Group conducts its corporate social responsibility and its commitments as a responsible bank\*



\*This new question has replaced the previously used composite indicator in the internal Global People Survey. Its results thus differ from the indicator used during the 2013-2015 period.

# OUR COMMITMENTS

THROUGH ITS FOUNDATION, BNP PARIBAS ASSISTS AND PROVIDES LONG-TERM SUPPORT TO NUMEROUS PROJECTS IN THE AREAS OF THE ARTS, SOLIDARITY AND ENVIRONMENTAL RESEARCH. THE GROUP REMAINS ESPECIALLY FAITHFUL TO ITS LONGSTANDING PARTNERSHIPS WITH THE WORLD OF CINEMA AND TENNIS.



## PHILANTHROPY

The BNP Paribas Foundation has been an active corporate philanthropist for more than 30 years and has a multidisciplinary approach to its philanthropy programme. In 2015 support was provided to more than 4,000 projects around the world, with grants totalling €39.1\* million.

\*Consolidated data since the publication of the 2015 Registration Document and Annual Financial Report.



### ENVIRONMENT

## THE CLIMATE: A MAJOR CONCERN

Reflecting its commitment to climate-change research, the BNP Paribas Foundation took part in the United Nations Conference on climate change (COP21) in Paris in 2015. Partnering with Universcience, the Foundation was sole philanthropist to support the "Climate" exhibition showcasing the latest scientific discoveries. Within the conference's "Blue Zone", reserved for COP21 negotiators, the BNP Paribas Foundation displayed the "Global Carbon Atlas", a scientific and digital tool funded by the Foundation that enables users to view a world map of CO<sub>2</sub> emissions. As part of its Climate Initiative programme, which has received annual funding of €1 million since 2010, the Foundation provided support in 2015 to ten scientific-research projects, all selected by an international committee of experts. It also supported the first crowdfunding campaign launched by French scientific researchers and destined for the general public.





Cité de la céramique - Sèvres (France)

CULTURE

**Facilitating access to the arts**

Among the many cultural commitments in 2015 dedicated to performing arts, jazz and cultural heritage, the BNP Paribas Foundation is partnering with the *Opéra National de Paris* in a novel initiative that enables young people under 28 to buy premium tickets for €10 and attend ballet and opera performances during the 2015-2016 season. The BNP Paribas Foundation also funds art-restoration projects in France and around the world. In 2015 it partnered with France's national ceramics museum (*Sèvres-Cité de la céramique*) to restore an exceptional collection of terracotta pieces dating from the 18th century.



Arts et Développement association - Lyon (France)

**Projet Banlieues celebrates 10 years**

In 2005 BNP Paribas launched *Projet Banlieues*, a community-support programme that encourages talent and fosters initiatives leading to job-creation in underserved neighbourhoods. Ten years later, BNP Paribas and its Foundation stepped up their commitment in two areas: first, grants for education were increased by 60% to €410,000 in 2015 and in association with community groups such as Afev<sup>(1)</sup>, EPA<sup>(2)</sup> and Proxité<sup>(3)</sup>. Second, support for local community associations was extended by enabling mid-sized companies and individual clients of BNP Paribas to be part of the project through the new *Projet Banlieues & Connect* programme.



Dream Up - Colombia

SOLIDARITY

**Dream Up: growing through the arts**

"Dream Up" is an international, arts-based educational programme for disadvantaged children created by the BNP Paribas Foundation in September 2015. The programme operates in 26 countries on five continents and works closely with Group companies present in those countries. With a budget of more than €1.6 million over three years, the programme enables 30,000 young people from disadvantaged backgrounds or who are living with a disability to take part in arts-based activities.



(1) *Association de la Fondation Étudiante pour la Ville* is a volunteer student association which provides tutoring for school children.  
 (2) *Entreprendre pour Apprendre* is a federation of 20 non-profit associations promoting the entrepreneurial spirit in schools.  
 (3) *Proxité* is a community association which advances the educational and vocational inclusion of young people through individual mentoring with working volunteers.



# TENNIS

BNP Paribas has been the world's no.1 tennis sponsor for more than 40 years. Its longstanding commitment extends to all levels of the sport: singles tennis, team tennis, wheelchair tennis, family tennis, educational tennis as well as major professional tournaments. At the Davis Cup by BNP Paribas in November 2015, the International Tennis Federation and BNP Paribas announced a 5-year extension of their partnership for the 2017-2021 period.

## Les Matches du Cœur

BNP Paribas' passion for tennis is matched by its solidarity with others. The bank's "We Are Tennis" initiative, begun in 2012, has helped to improve the lives of children in paediatric hospitals. In 2015 the initiative took on a participative dimension thanks to a project called *Matches du Cœur*. At tennis tournaments sponsored by the bank, one or more matches are now selected by "We Are Tennis" to fund a hospital project. Every point scored in the matches adds to funds raised.

## Spotlight on ball boys and girls

In tennis BNP Paribas attaches as much importance to the ball boys and girls as to the professionals on the court. These young people dream of passing balls to their tennis idols or running on a centre court. The selection process for ball boys and girls is tough and the physical training intense. BNP Paribas has been the official recruitment partner for ball boys and girls for the French Open since 2000. The bank showcased them during the 2015 French Open in a documentary entitled *Terre de rêve* (Dreamland), broadcast by France Télévisions prior to the men's final between Djokovic and Wawrinka. Spectators and TV viewers were able to follow the performance of the ball boys and girls (kilometres covered, sprints, balls returned, etc.) on [wearetennis.com](http://wearetennis.com) and #superballkids.



We Are Tennis Fan Academy - Paris (France)

## FANS PUT ON A SHOW

As a partner to all kinds of tennis, BNP Paribas continues to innovate—and also to surprise tennis fans. On 28 May 2015 tennis legend John McEnroe unveiled the "We Are Tennis Fan Academy" as its captain and ambassador. The aim of the Academy is to recruit tennis fans and train them to entertain crowds and create a fun atmosphere at tennis tournaments sponsored by the Group. The fans were recruited via an unprecedented two-phase digital process: a video uploaded on the platform, [fans.wearetennis.com](http://fans.wearetennis.com), and an online interview with John McEnroe. The first eight graduating classes of the Academy made their presence felt at tournaments in France, the United Kingdom, Belgium and Singapore. Their mission continues in 2016. With the We are Tennis Fan Academy, BNP Paribas has propelled its favourite sport into a new era marked by a new energy in tennis stands and by a festive atmosphere that galvanises both players and spectators.



John McEnroe





# CINEMA



BNP Paribas and cinema share a common history, written in France but also in Italy and Belgium, and which goes back more than 80 years. This European heritage has made BNP Paribas today the leading bank for film financing. The Group is also involved at every stage of the film-production process.

## **1 Mobile, 1 Minute, 1 Film for the climate**

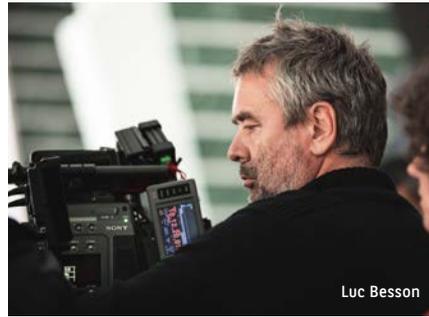
BNP Paribas has given support to France's Mobile Film Festival for five years. In 2015 the festival took on an international dimension when its organisers signed a partnership with the United Nations so they could take part in the COP21 climate-change conference in Paris. Taking as their theme "Act on climate change", budding filmmakers made films using the approach of "1 Mobile, 1 Minute, 1 Film" that is behind the festival's success. One hundred films were submitted as official entries. BNP Paribas granted two prizes: €30,000 for the Top Prize and €15,000 for the Best French Film, enough to help the winners make a film in one year. Winners also receive mentoring from an industry professional. On 7 December 2015 a jury of film directors presented the prizes in the presence of distinguished guests from the world of film.

## 1 FRENCH FILM IN 2

IS FINANCED DIRECTLY OR INDIRECTLY  
BY BNP PARIBAS

## **The Little Prince rewarded**

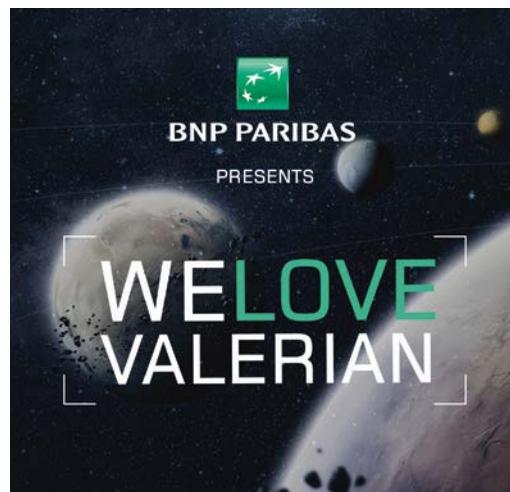
In recent years BNP Paribas has co-financed several successful films, including *The Artist*, *Lucy*, *Saint Laurent* and *The Little Prince*. With a budget of €60 million, *The Little Prince* has enjoyed the greatest international success for a French animated film. It has won several prizes, including the 2015 "Trophée UniFrance" which rewards the no.1 French film based on box-office sales outside France.



Luc Besson

## **VALERIAN, AN EXCEPTIONAL PARTNERSHIP**

At the end of 2015 BNP Paribas invested for the first time in a film production. The €10 million investment is in *Valerian and the City of a Thousand Planets*, which is the biggest-budget film to be made in Europe. Based on the comic strip *Valerian and Laureline* by Pierre Christin and Jean-Claude Mézières, filmmaker Luc Besson aims to win over film fans around the world. At each stage of the film's production until its scheduled release in July 2017, BNP Paribas is offering an exclusive and unique film experience to an international public. In 2016 some 500 film fans will be able to see the film being made at the *Cité du Cinéma* studios in Saint-Denis (Paris region) or go behind the scenes to learn about the film-editing process. In 2017 members of the general public will be invited to attend previews. Throughout the Valerian partnership, BNP Paribas will provide exclusive content on [www.valerian.bnpparibas](http://www.valerian.bnpparibas)



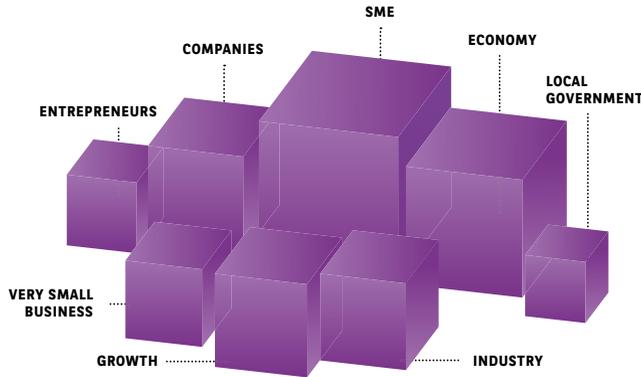


TO LEARN MORE, VISIT  
[WWW.GROUP.BNPPARIBAS](http://WWW.GROUP.BNPPARIBAS)



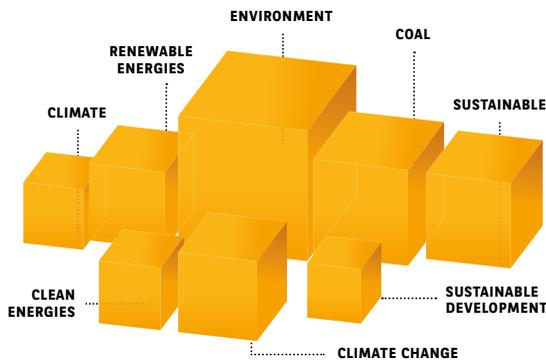
# **3 QUESTIONS ABOUT BANKS**





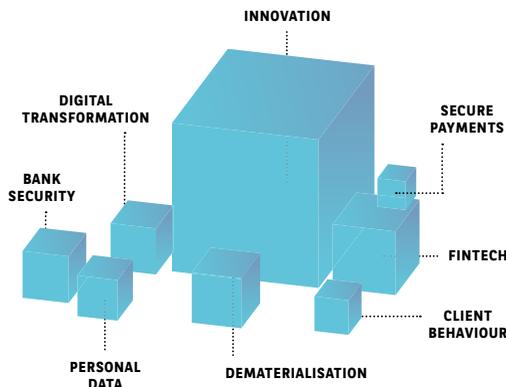
**QUESTION 1**  
**HOW DO BANKS CONTRIBUTE TO THE REAL ECONOMY?**

It is easy to set the “real” economy—which produces goods and services, and creates employment and wealth for all—against the “financial” economy, which is perceived as speculative. Yet why set one against the other? Thanks to banks’ financing and investment, they contribute actively to the creation of jobs and wealth for all.



**QUESTION 2**  
**HOW DO BANKS PARTICIPATE IN THE ENERGY TRANSITION?**

Everyone, from governments and companies to individual consumers, has an important role to play in the transition to a low-carbon economy. What role are banks playing in this energy transition? How important is this issue for banks and their different business activities? Banks contribute actively to this transition through their investment decisions and by adopting responsible policies.

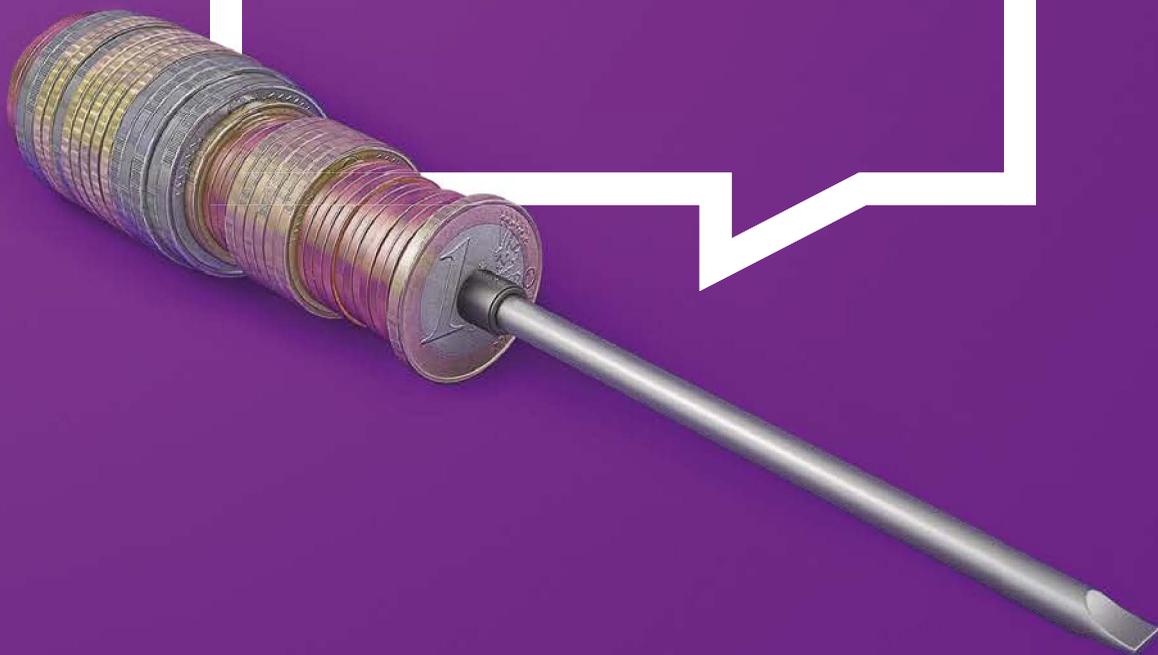


**QUESTION 3**  
**WHAT WILL THE BANK OF THE FUTURE LOOK LIKE?**

Digitalisation and disintermediation are revolutionising our relationship with banks. We are increasingly mobile, informed, and more demanding, so we expect banks to offer new services and a new kind of relationship. How are banks adapting to this new world order? How are they managing their transformation? It is thanks to innovation that banks are meeting the new demands of clients and the marketplace.

QUESTION 1

**HOW DO BANKS  
CONTRIBUTE  
TO THE REAL ECONOMY?**



# FINANCING THE REAL ECONOMY: A KEY ROLE FOR BNP PARIBAS

Participants in the economy generate investments that lead to the production of goods and services. They also aid employment growth and contribute to the real economy. Because financing is at the heart of its business, BNP Paribas thus plays a key role in the real economy. The Group finances business and household investments, either directly via loans or indirectly via financial instruments (equities, bonds, etc.).



**MICHELLE DI GANGI**  
HEAD OF SMALL  
AND MEDIUM-SIZED  
ENTERPRISES (SMES),  
BANK OF THE WEST  
(RETAIL-BANKING  
SUBSIDIARY IN THE  
UNITED STATES)



## INVESTING IN SMES ENCOURAGES GROWTH AND EMPLOYMENT

In my experience, the economy takes off when SMEs start hiring and investing. My team works with these businesses every day and I can truly say that without the financial system, they would not be where they are today in terms of growth and job creation.

### ▶ FUELLING FUTURE GROWTH

Few small businesses can grow and expand solely using the cash-flow they generate. In the early stages of their development, they need to reinvest in short-term needs such as payroll

and inventory in order to take their business to the next level. Banks and other financial players provide credit and advice to these businesses to help them thrive. Banks also contribute to the economy by boosting both consumption via mortgage loans, payment facilities, consumer loans and household savings.

### ▶ MEETING SPECIFIC NEEDS

Bank of the West recently opened up new offices in Tacoma (State of Washington), and Phoenix (Arizona) catering exclusively to the needs of small businesses. We staff these locations with specialised relationship managers who have solid experience of working with small and medium-sized enterprises. It is important for SMEs to be supported in each phase of their development, including cash and funding

needs. When they reach a certain level of performance, they start to generate more capital, leading to stability.

#### ■ COMMITTED TO SMES

An example: one of our customers in Tacoma manufactures steel frames for industrial buildings. His business requires him to invest heavily in raw materials. We provided a line of credit to help him expand his business and take on projects with longer lead times. We are firmly committed to fuelling the real economy. Over the past 18 months we have opened up branches specialising in SMEs in Seattle and in other locations in the State of Washington. In 2016 we are setting up new branches in Arizona, Southern California, and Minneapolis (Minnesota). ■

**“The economy takes off when small and medium-sized enterprises start hiring and investing.”**



**ABED ISLAM**  
MANAGING DIRECTOR,  
HEAD OF MULTINATIONAL  
CORPORATE COVERAGE,  
SOUTH-EAST ASIA,  
CORPORATE & INSTITUTIONAL  
BANKING



## INTERNATIONAL DEVELOPMENT CREATES WEALTH AND EMPLOYMENT

With growing foreign investment in Asia, BNP Paribas' Multinational Corporate Coverage platform plays an increasingly major role in the real economy. We act as trusted advisors, helping clients from Europe, the United States and the Middle East invest in the Asia-Pacific region.

#### ▶ BRINGING BUSINESS TO THE REGION

In the case where a European corporation is looking to set up in Indonesia, it is our responsibility to share our knowledge of the regulatory environment, the investment landscape and the financing options. From a foreign-exchange perspective, there are numerous risks involved in international expansion, so

**“By helping our customers to grow worldwide, we contribute to the real economy.”**

we help to mitigate these risks by offering our clients a range of global market products. As a relationship-driven bank, our role does not stop once the clients are on board; we support them throughout the operational value chain. Our bankers possess a deep understanding of the local market and have a specific set of skills to facilitate the process of bringing business to the region.

#### ▶ MAKING A REAL INVESTMENT

In my opinion, when we finance a client, we are helping them contribute to the real economy. As an international bank in 75 countries, we have a particularly large impact because we can serve our clients wherever they want to expand. By supporting their growth ambitions, we contribute to the dynamism of the region and encourage job creation and economic activity. ■

## BNP PARIBAS: SUPPORTING THE REAL ECONOMY

### AMBITIONS PRO HELPS PROFESSIONALS GROW IN FRANCE

To support the business development of professional clients and very small businesses in France, BNP Paribas created *Ambitions Pro*. This programme supports these clients' creations or acquisitions of businesses as well as ongoing investment thanks to personalised, simplified and rapid lending procedures. Among the solutions is *Crédit Silo*, a 2-year, €75,000 loan that is immediately available; and *Crédit Pro* online that offers an immediate response to all investment-loan requests under €30,000. BNP Paribas is the first bank in France to offer such a solution.

### FACILITATE ACCESS TO CREDIT AND EMPLOYMENT

In what is a "first" in consumer finance, Cetelem enriched its lending product in France for customers on fixed-term and temporary employment contracts. The new service offers assistance in the search for future employment and reflects Cetelem's responsible® credit policy.



#### FOCUS

### Supporting the No.1 brewery in its growth

On 11 November 2015, the world's largest brewery, AB InBev, headquartered in Belgium, disclosed the recommendations relating to its offer to acquire SABMiller, its Anglo-South African competitor (ranked No.2 in the world). The merger is among the five largest ever in the brewing industry. The new entity should control one-third of the world's beer market. Approval of the transaction by the competition authorities of several countries is still pending. Thanks to the longstanding relationship between AB InBev and BNP Paribas Fortis, the Group was one of the few banks able to both advise the client and to commit to provide the services related to the necessary funding so as to complete the merger within a very tight deadline. BNP Paribas, whose primary mission is to help clients finance their growth projects, contributed to helping AB InBev in its development.

### FINANCING AGRICULTURAL AND CONSTRUCTION MACHINERY

In July 2015 BNP Paribas Leasing Solutions and Kubota, a world leader in agricultural and construction machinery, signed a European framework agreement. Through this partnership, BNP Paribas Leasing Solutions is helping the Japanese group to achieve its development goals, in particular in the agricultural-machinery segment. In addition, Kubota can now offer clients, present mainly in the agricultural and construction sectors, a wide range of financial solutions for professional equipment.

### 25 SCHOOL PROJECTS FINANCED BY BNP PARIBAS FORTIS IN 2015

BNP Paribas Fortis plays a major role in Belgium's economy and €7.6 billion of the bank's assets are related to the public sector. It thus funds infrastructure such as hospitals and schools as well as public-housing projects managed by non-profit organisations and local and regional authorities. In 2015, in the framework of a public-private partnership, BNP Paribas Fortis took part in the *Scholen van Morgen* programme in the Flanders region. The programme consists of building, renovating and maintaining 200 school buildings at a cost of €1.7 billion. Some 25 school-related projects were completed in 2015.

### AFTER SEB AND ARKEMA, ZODIAC AEROSPACE

Having supported SEB and Arkema, the strategic equity fund (FSP), created in 2012 by BNP Paribas Cardif and other insurers, acquired a €350 million stake in Zodiac Aerospace. As part of this long-term investment, the FSP is supporting the expansion strategy of the world leader in aeronautic equipment and systems, and strengthening its growth prospects. For this flagship French company, the FSP stake brings stability to its shareholder structure.

### UNLISTED BUT POPULAR

Private-banking clients seeking investments that offer performance and promote an entrepreneurial spirit are increasingly attracted to private equity\* funds. By investing in these funds, clients contribute to the growth of unlisted companies at different stages of their development and earn returns reflecting the risks taken. For almost 20 years BNP Paribas Wealth Management has enabled clients to invest in the real economy via private equity. In 2015 the business reached a significant level of fundraising, especially through a new partnership with one of the largest Scandinavian asset managers which offers a fund investing in unlisted "large caps" in Scandinavia and Northern Europe, a dynamic economic region with growth above the eurozone average.

\*Private equity: investment in unlisted firms.



#### FOCUS

### First Carrefour hypermarket in Ivory Coast

Compagnie Française de l'Afrique Occidentale (CFAO) and Carrefour joined forces to open Playce Marcory, a 20,000 m<sup>2</sup> shopping centre in Abidjan. It is Carrefour's first hypermarket in West Africa. Banque Internationale pour le Commerce et l'Industrie de la Côte d'Ivoire (BICICI), a subsidiary of the BNP Paribas Group, won the mandate to finance the project. The agreement included cash-management services and the opening of a branch inside the shopping centre. The hypermarket's checkouts are synchronised and programmed by equipment and innovative solutions provided by BICICI. The project underlines BNP Paribas' commitment to finance growth in the country and work with CFAO and Carrefour on other operations in Ivory Coast and sub-Saharan Africa.

### LUX FUTURE LAB: 13 NEW START-UPS

In less than four years, BGL BNP Paribas' lux future lab reached its goal of supporting entrepreneurial ideas in Luxembourg. It became the largest business incubator of FinTechs and ICTs\* in the country with 26 start-ups, which have created 170 jobs. Thirteen new start-ups joined lux future lab in 2015. In addition to premises, the start-ups benefit from specialised services which are key to growth (legal and human resources, marketing, etc.) as well as from access to BNP Paribas' international network.

\*FinTech/ICT: start-ups operating in the area of financial technology and information and communications technology.



#### FOCUS

### BNL grows closer to micro-enterprises in Italy

In June 2015 BNL announced its commitment to support an initiative of the Italian Ministry of Economic Development to help small and micro-enterprises. Through BNL's specialised subsidiary, Artigiancassa, and the national craft confederation, the bank developed new financial solutions enabling these companies to buy the goods and services essential for their businesses. Beyond financing, these companies will also benefit from the assistance of experts. An example of the importance BNL attaches to small and micro-enterprises is also reflected in its collaboration with PerMicro, an Italian leader in micro-lending.

### BNP PARIBAS PERSONAL FINANCE MOVES UP A GEAR IN THE AUTOMOTIVE SECTOR

In 2015 BNP Paribas Personal Finance signed two new partnerships to strengthen the existing links which the company wishes to develop over the long term with automotive manufacturers and dealers. In France, Volvo Car France chose BNP Paribas Personal Finance as its sole financial partner for Volvo's dealership network. And in Mexico, BNP Paribas Personal Finance consolidated its market presence via an exclusive agreement with Kia Motors Mexico. The South Korean carmaker selected BNP Paribas Personal Finance for its expertise in auto loans and its ability to swiftly implement the agreement. These partnerships include financing solutions for clients and financial backing for distributors.

### ENCOURAGE HIGH-SPEED BROADBAND

Principal Investments helped Antin Infrastructure Partners to acquire and accelerate the growth of the Eurofiber group, a leading provider of B2B fibre optics in the Netherlands and Belgium. In June 2015 Eurofiber finalised the acquisition of a 6,400 km network in Belgium so as to accelerate its growth and offer its clients access to high-speed broadband technology.

# 3

### CONTRACTS PER MINUTE TO FINANCE THE ECONOMY

IN 2015 BNP PARIBAS LEASING SOLUTIONS  
SIGNED NEARLY 300,000 LEASE-  
FINANCING CONTRACTS  
FOR PROFESSIONAL EQUIPMENT.

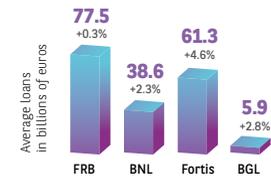
## FOCUS

## Going public to go for growth

Access to capital markets is key for companies seeking financing. Elis, the European leader in the rental/maintenance of linen and work clothes, and Showroomprivé, a company specialising in the online sale of fashion items, both chose BNP Paribas to manage their respective listings on Euronext Paris. The initial public offerings (IPO) helped raise the necessary funds to continue their expansions. BNP Paribas Equity Capital Markets was in charge of the structuring and placement of the two IPOs. BNP Paribas Securities Services played a role in structuring the equity issues and since then has been assisting the companies with their shareholder-related tasks such as managing shareholder registers, organising AGMs and disbursing dividends. For Showroomprivé, BNP Paribas Securities Services successfully carried out the complex processing of the IPO procedure and also managed the share offering reserved for employees.

## Helping individuals to finance their projects

Rise in loans to individuals (Domestic Markets) compared with 2014.



## CARING FOR EMPLOYEE SAVINGS AND PENSIONS IN AUSTRALIA

**BNP Paribas Securities Services became the master custodian of UniSuper, one of Australia's largest superannuation funds. The fund has more than AUD 50 billion of assets under management and manages the pensions and savings of 380,000 employees and retirees in the education and research sectors. BNP Paribas Securities Services' mandate covers custody, fund administration and investment reporting. BNP Paribas was competing for this mandate with a large Australian custodian bank in one of the world's most competitive markets and the success reflects the scope and quality of BNP Paribas' solutions.**



## URBAN FACE-LIFT IN LUXEMBOURG

The project to redesign Luxembourg's centre included the extension of its commercial district, thus raising its attractiveness. BGL BNP Paribas and BNP Paribas Fortis financed the *Royal-Hamilius* project through a €185 million structured loan. The arranging and structuring of this project underscored the important role played by the Group in financing the local economy and infrastructure.



#### ◀ 6 PANCRAS SQUARE, A PRESTIGIOUS ADDRESS IN LONDON

The King's Cross district in London is one of the largest transport hubs in the United Kingdom with connections to Europe. This central location has benefited from an ambitious urban-planning project. BNP Paribas Real Estate contributed to the success of this district by developing "6 Pancras Square", an office complex covering 40,000 m<sup>2</sup>. The innovative high-tech building meets the highest environmental standards and is aiming for a BREEAM\* "Excellent" rating. Google decided to move its European headquarters there. The 6 Pancras Square development "ticks all the boxes" to become a prime business and innovation hub, contribute to London's dynamic economy and become a reference in environmental standards.

\*BREEAM: Building Research Establishment Environmental Assessment Methodology.

#### BNP PARIBAS, A PIONEER IN THE CHINESE MARKET

BNP Paribas was one of the first banks to roll out a platform dedicated to handling Chinese renminbi (RMB), which some analysts believe will rank among the five most used currencies in five years' time. BNP Paribas was named "Renminbi House of the Year 2015" by *Asia Risk*, the region's leading financial magazine. The award recognised the bank's leadership and reflects the innovative investment solutions BNP Paribas offers to corporate, institutional and private-banking clients as well as its access to China's financial markets. The internationalisation of the renminbi opens up opportunities to investors planning to set up in China and also to Chinese companies seeking to invest abroad.

#### FOCUS

### €10 billion to help SME growth in France

After meeting—and exceeding—the targets for its "BNP Paribas Entrepreneurs 2016" plan, BNP Paribas continued to support business growth in France. In 2015 it again earmarked a minimum commitment of €10 billion to finance the investments of SMEs and their operating cycles. The plan's target of gaining 5,000 new clients was renewed and its priorities reaffirmed: to help entrepreneurs with their international expansion and bolster measures encouraging innovative, women's and social entrepreneurship.



#### BNP PARIBAS INVESTMENT PARTNERS

# 55

MILLION EUROS IN SOLIDARITY INVESTMENTS\*

\*BNP Paribas Investment Partners data, as at 31 December 2015.

QUESTION 2

**HOW DO BANKS  
PARTICIPATE  
IN THE ENERGY  
TRANSITION?**



# HOW BNP PARIBAS IS ACCELERATING THE ENERGY TRANSITION

The energy transition is well underway. Everyone—governments, companies, consumers and the general public—has a role to play in generating energy savings.

BNP Paribas is actively contributing to this transition. First, by adopting responsible behaviour through the actions of employees, the materials used and the management of its premises. Second, by its financing activities. In this regard, BNP Paribas supports the development of renewable energies and is in turn helping companies and households finance their energy transitions. The Group also helps its institutional-investor clients to reduce the carbon footprint of their portfolios.



**SÉVERIN FISCHER**  
HEAD OF ENVIRONMENT  
AND EXTRA-FINANCIAL  
ACCOUNTING,  
BNP PARIBAS

Financing drives our economy and banks are the principal providers of that financing. It is therefore legitimate that they consider the type of economy they wish to support. Today, we still have a high-carbon economy. For example, more than 40% of the world's electricity production relies on coal, a fossil fuel which emits large quantities of CO<sub>2</sub>. However, there are ways of reversing the trend.

## ▶ TARGET OUR FINANCING AND INVESTMENT

The challenge for banks is to implement measures that help us target financing towards a greener economy. At BNP Paribas, in 2011 we put in place commitments regarding specific sectors

such as electricity production. Since then we have refused to finance dozens of projects to do with coal-fired power stations, for example. In 2015 we reinforced this commitment by publicly stating that we would stop financing coal-fired power stations in so-called "high-income" countries—based on the World Bank's list—and by tightening eligibility criteria in others. Furthermore, we will no longer finance—anywhere—new coal-mining projects or companies specialising in coal mining. On the other hand, we are focusing much more on renewable energies, which have enjoyed impressive growth. Half the electricity-generation capacity installed around the world over the past 2-3 years is linked to alternative energies. The technologies are mature and the economic models proven. Moreover, we are one of the few banks

100

MILLION EUROS

THE AMOUNT BNP PARIBAS  
WILL INVEST BY 2020 IN START-UPS  
WORKING TO DEVELOP SOLUTIONS  
IN AREAS SUCH AS ENERGY STORAGE  
OR SMART GRIDS.

to have decided to measure, each year, the carbon footprint of the electricity-mix it finances. The carbon content per kWh financed by the Group is 399 gCO<sub>2</sub>. This is below the world average of 576 g. We plan to reduce it each year as we gradually exit from sectors that emit the most CO<sub>2</sub>.

#### ► INVOLVE ALL OUR BUSINESS LINES IN THE TRANSITION PROCESS

Through its various business lines, BNP Paribas provides financing, but also real-estate services and vehicle leasing. For these specialised businesses, reducing carbon-dioxide emissions is a key issue. At Arval, the Group subsidiary specialising in vehicle leasing, a team of consultants helps clients to “decarbonise” their fleets. They use a tool for data collection that helps them understand and improve driver behaviour, and this leads to greater security and reduced energy consumption. At BNP Paribas Real Estate, all commercial-property developments benefit from an environmental certification.

The business offers solutions to help clients manage their buildings so as to reduce energy consumption and costs. As a responsible bank, we also seek to control our own carbon footprint. This year, as for the past ten years, we will measure the greenhouse-gas emissions resulting from our own activities. These indicators decrease every year, showing that our commitments have a practical and effective impact.

#### ► NEW SOLUTIONS

The movement towards the energy transition is a collective one. By working with large industrial groups and start-ups, BNP Paribas is developing new solutions for clients. One example is Domofinance, a joint venture with EDF which aims to finance and install energy-efficiency systems in homes. The partnership arrangement also helps finance energy-transition projects that have higher risks. In certain cases, BNP Paribas partners with multilateral funds such as those of the French Development Agency (AFD) or the European Bank for Reconstruction and Development (EBRD).

#### ► COP21: THE ACCELERATOR

This international event held in Paris in November 2015 gave the Group an opportunity to reinforce and accelerate the pace of its commitments. BNP Paribas decided to more than double exposure to renewable energies over the next five years, from €7.2 billion at the end of 2015 to €15 billion in 2020. The bank also

“Our investment choices reflect our climate commitments.”

planned to calculate an internal carbon price to include in financing and investment criteria. Today, BNP Paribas is one of the few banks to have adopted such a measure. The energy transition has become a separate market and a source of opportunities for investors. It is a bet on the future that is based on the long term and which is changing the investment landscape. ■

15

BILLION EUROS

OF FINANCING OF  
RENEWABLE ENERGIES  
IN 2020.

## BNP PARIBAS: FURTHERING THE ENERGY TRANSITION



### FOCUS

#### With Qarnot computing, making servers even “smarter”

BNP Paribas was the first French bank to partner with Qarnot computing, the start-up that developed the first “digital radiator”. The principle of a radiator-server is to use the energy consumed by computer servers to heat homes, offices and public buildings at no cost. Thanks to this partnership, BNP Paribas’ Global Markets activity is able to reduce the energy consumed by its computer servers by transferring 5% of its complex transactions to Qarnot computing’s platform. The partnership also allows BNP Paribas to reduce its carbon footprint regarding these IT calculations by 75% because waste heat is reused and servers no longer need to be cooled. In terms of performance, Qarnot computing has undertaken to rationalise its systems to provide its clients with the powerful calculations they need in both summer and winter. Thanks to this initiative, BNP Paribas is contributing directly to the energy transition.

#### CITYLIGHTS: A 85,000 M<sup>2</sup> DEVELOPMENT PROJECT MEETING VERY HIGH QUALITY ENVIRONMENTAL STANDARDS

*CityLights* is the result of BNP Paribas Real Estate’s successful renovation in Boulogne-Billancourt (Paris region) of three office towers constructed in the 1970s, that consume high amounts of energy. The new, renovated building consumes 30% less energy and emits four times less CO<sub>2</sub>. Moreover, *CityLights* has obtained the highest standards of French and European certification: HQE\* (*Passeport Exceptionnel*), BREEAM\*\* “Excellent” and the BBC\*\*\* label. This ambitious renovation project fully complies with European climate standards and France’s ambitions to reduce greenhouse-gas emissions. The new *CityLights* project was completed at the end of 2015.

\*HQE: French environmental certification.  
\*\*BREEAM: Building Research Establishment Environmental Assessment Methodology.  
\*\*\*BBC: Low energy building (LEB).



**BNP PARIBAS INVESTMENT PARTNERS, WITH**
**19**
**BILLION EUROS**
**OF DECARBONISED ASSETS,  
IS A MEMBER OF THE PORTFOLIO  
DECARBONIZATION COALITION.**

**A RESPONSIBLE COMMITMENT  
AS A SHAREHOLDER**

As part of its commitment as a shareholder, BNP Paribas Investment Partners exercises its rights through a reinforced voting policy that integrates ESG (environmental, social and governance) criteria and in particular takes into account the risks linked to climate change. BNP Paribas Investment Partners now reserves the right to refuse the approval of the accounts of companies in which it has a shareholding and which do not sufficiently disclose their emissions and their CO<sub>2</sub> reduction strategy. In 2015 BNP Paribas Investment Partners supported 83% of shareholder resolutions relating to the environment, specifically those covering climate change or CO<sub>2</sub> emissions.

**HELPING CLIENTS WITH  
THEIR ENERGY TRANSITIONS**

In France BNP Paribas offers corporate, professional and individual clients a full range of services relating to energy conservation (diagnoses, technical advice on renovations, approved suppliers, appropriate financing, etc.). The aim is to help clients monitor their energy consumption more effectively, improve their environmental-impact performance—and lower their energy bills.

**DEVELOPING WIND ENERGY IN MOROCCO**

In December 2015 Banque Marocaine pour le Commerce et l'Industrie (BMCI), a BNP Paribas subsidiary, signed a new agreement with Énergie Éolienne du Maroc (EEM) to increase the production capacity of the Akhfennir windfarm in the south of Morocco by 50%, thus bringing the total capacity to 300 MW. This agreement confirms BMCI's ambition and commitment to financing the energy transition in Morocco. In 2011 BMCI had already been involved in project finance for three windfarms.

**FOCUS**
**Concrete measures to support low-carbon investment**

In 2015 BNP Paribas Investment Partners made several major global commitments to reduce the carbon exposure of investment portfolios. First, it signed the Montreal Carbon Pledge which encourages investors to measure and publicly disclose the carbon footprint of their investment portfolios on an annual basis. Second, when signing up to the Portfolio Decarbonization Coalition\*, BNP Paribas Investment Partners defined a carbon-investment policy for its SRI\*\* open-ended funds, which represented €19 billion of assets as at 31 December 2015. This approach, which complements the existing investment policies for electricity production and mining, consists of divestiture from mining companies that generate 10% or more of their revenue in thermal coal mining as well as in electricity producers that emit more than 600 kg of CO<sub>2</sub>/MWh. BNP Paribas Investment Partners is also a member of several working groups, including one dedicated to energy efficiency under the auspices of the European Commission and the Energy Efficiency Financial Institutions Group (EEFIG). Its goal is to find new sources of financing that encourage energy efficiency in Europe's building and manufacturing sectors. BNP Paribas Investment Partners also supports clients and investors, particularly institutional investors, in reducing the carbon footprint of their investment portfolios.

\* A United Nations initiative which encourages financial markets to reduce greenhouse-gas emissions linked to their investments.

\*\* Socially responsible investment.

### STRONG AMBITION IN GREEN BONDS

In 2015 BNP Paribas was lead manager for more than €3.87 billion of Green Bond issues. It was also bookrunner for Brazil's first Green Bond, on behalf of food company BRF SA. BNP Paribas has committed to be among the top three players, in euros, in the Green Bond market in 2018.

### FACILITATE ACCESS TO PHOTOVOLTAIC

In October 2015 Banque Internationale pour le Commerce et l'Industrie du Mali (BICIM), a BNP Paribas subsidiary in Mali, signed a covenant with Mali's Ministry of Energy and Water. It pledges both parties' commitment to boosting investment in the electricity sector. The "Renewable Energies Loan" put in place by BICIM will help households and SMEs to acquire photovoltaic solar kits.



#### FOCUS

### Domofinance: more comfort and more energy savings

More comfort and more energy savings? This is possible in France with a Domofinance loan. Domofinance, a subsidiary of BNP Paribas Personal Finance and EDF, specialises in financing homeowners' energy renovations. It has become the preferred partner for individuals and co-owners of residential buildings for financing energy-efficiency renovations. The financing solutions are attractive thanks to low interest rates and to EDF rebates which vary according to the materials renovated and the energy saved. Thanks to its partnership with Domofinance, BNP Paribas Personal Finance is demonstrating its expertise, commitment and responsibility in the area of energy transitions and intends to roll out these solutions in other countries.

# 43,000

#### RENOVATION PROJECTS

FINANCED BY DOMOFINANCE  
IN FRANCE IN 2015.

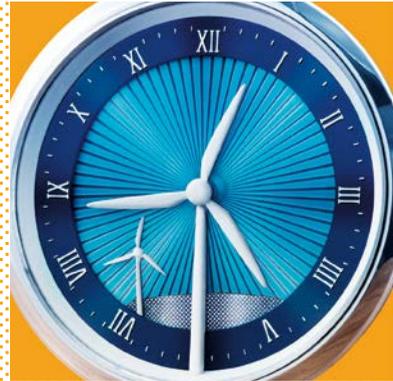
#### €100 MILLION FOR THE CLIMATE

Among BNP Paribas' commitments to help companies take part in the energy transition, Principal Investments will invest €100 million in start-ups working in this area for the period to 2020.

## FOCUS

## Tera Neva, making strides in responsible investments

In November 2015 the European Investment Bank (EIB), BNP Paribas and Vigeo announced the launch of *Tera Neva*, a sustainable investment solution that includes a climate-awareness bond issued by the EIB and based on the Ethical Europe Climate Care equity index. The initiative was set up by BNP Paribas and meets two key investment criteria: financial performance plus the energy transition. A group of institutional investors, including BNP Paribas Cardif, invested €500 million in the bond. This new product strengthens BNP Paribas Cardif's energy-transition investments and diversifies its portfolio. *Tera Neva* meets institutional investors' growing demand for responsible investment solutions.



### A STRATEGIC DEAL IN WIND ENERGY

BNP Paribas played a major role in the acquisition in 2015 of Iberwind, one of the largest wind-energy groups in Portugal. Iberwind has 31 windfarms across the country. The €1 billion deal was carried out on behalf of Cheung Kong Infrastructure and Power Assets Holdings. Five teams and different business lines in Europe and Asia were mobilised for six months to make the acquisition a success.



### SYNERGIES IN RESPONSIBLE MOBILITY

Helping clients to make rational, responsible choices for their vehicle fleets and transportation needs is the aim of Arval's Corporate Vehicle Observatory (CVO) think tank which monitors industry trends. The Arval Consulting teams are experts in fleet management and factor in these trends to design transportation strategies that are safer, more energy-efficient and more environmentally friendly.



### ▲ SUPPORTING RESEARCH INTO CLIMATE CHANGE

Research into climate change is one of the BNP Paribas Foundation's main areas of support. In 2015 the Foundation gave assistance to ten laboratories unable to accomplish fundamental research projects (often in an international partnership) without a philanthropic grant. The Foundation also supports scientists by enabling them to explain climate issues to the general public. For example, it helps them to build websites, launch crowdfunding campaigns and organise conferences.

#### FOCUS

### New momentum for wind energy in Luxembourg

BGL BNP Paribas participated in an emblematic energy-transition project in Luxembourg. The bank financed a new windfarm as well as the extension of an existing facility in the Grand Duchy. The project financed nine new, high-performance wind turbines, two of which replaced eight turbines which were more than 15 years old. The planned electricity production of the nine new turbines is equivalent to the annual energy needs of 11,600 households.

SINCE 2010  
THE BNP PARIBAS FOUNDATION  
HAS PROVIDED

6

MILLION EUROS  
TO SUPPORT CLIMATE-CHANGE  
RESEARCH.

### PROMOTING CLEANER VEHICLES

BNP Paribas Leasing Solutions is committed to promoting high-performance industrial and commercial vehicles that pollute less. Its subsidiary BNP Paribas Rental Solutions, which specialises in financing and rental services for truck fleets, was one of the first leasing companies in France to finance trucks run on natural gas. In the Netherlands, BNP Paribas Leasing Solutions also opted for more energy-efficient models and extended its range of semi-electric vehicles to its own internal fleet.

### INVESTING TO FIGHT CLIMATE CHANGE

To support the energy transitions of financial institutions, BNP Paribas Wealth Management is promoting responsible investment solutions among its private-banking clients. In 2015, BNP Paribas Wealth Management brought out a range of financial solutions that aim to meet environmental challenges. These include the index-based investment funds Easy ETF\* Low Carbon 100 Europe and Ethical Europe Climate Care, both investing in companies with low-carbon emissions, and the Parvest Global Environment, Environmental Opportunities and SMaRT Food funds, which invest in companies seeking to optimise the use of natural resources.

\*ETF: Exchange Traded Funds are index-based investment funds listed on Euronext.

QUESTION 3

WHAT WILL  
THE BANK OF  
THE FUTURE  
LOOK LIKE?



# DIGITALISATION AT THE HEART OF BNP PARIBAS' TRANSFORMATION

Digitalisation, mobility and disintermediation are transforming customer behaviour. BNP Paribas is closely following these developments and transforming its business model and services with the aim of providing mobile, accessible and immediate solutions to individuals, professional clients and businesses. To achieve this aim, the Group is relying on a process of continuous innovation based on co-construction among internal bank experts, start-ups and clients.



**PETER VANDEKERCKHOVE**  
HEAD OF RETAIL  
& PRIVATE BANKING  
AND THE BANK FOR  
ENTREPRENEURS  
BNP PARIBAS FORTIS



## THE BANK OF THE FUTURE WILL DEFINITELY BE THE BANK OF THE CLIENT

The retail-banking environment is undergoing profound and very rapid change. Banks are at the centre of a digital transformation that is changing the relationships among individuals, companies and financial institutions, as well as between producers and consumers.

### ▶ BANKS AS VECTORS OF TRUST

In what direction is this digital transformation taking us? In the same direction as our clients. The bank of

tomorrow will very certainly be a bank as defined by clients—it is they who will put together their own products and services by selecting providers and creating their banking ecosystems. In this new environment, our role will be to offer the very best expertise in order to meet a need—and therefore to ensure the best client experience. We must also add another ingredient: trust. This guarantee of security will continue to give us more legitimacy than others.

### ▶ A CLOSER AND MORE HUMAN RELATIONSHIP

Equally, the quality of the bank's relationship with its clients will make a difference. The physical and digital worlds will merge completely. Clients will choose how they bank, when and for what purpose. I believe that the client

relationship will be more personalised in the future. Digitalisation can be seen as very technical and inhuman, but technology will explode in terms of quality and functionality. Digitalisation will allow us to multiply client contacts.

#### ▶ READY TO TAKE UP THE CHALLENGE

We will look to data and analysis to improve client service. The collection, aggregation and analysis of data will help us deepen knowledge of our clients. These activities are already well established in the bank. In Belgium we have laid the foundations for the future with, for example, the *House of Innovation*, the Co.Station business incubators in Ghent and Brussels, and around a hundred “starters’ coaches” throughout the bank. ■

**“The physical and the digital worlds will merge completely.”**



**RUDI COLLIN**  
HEAD OF DIGITAL  
TRANSFORMATION  
CORPORATE &  
INSTITUTIONAL BANKING



### MORE FLUID BANKING ECOSYSTEMS

In the world of corporate and institutional banking, as in retail banking, a major shift is underway. It concerns a vast movement of digital transformation that will profoundly change our business model.

#### ▶ MORE KNOWLEDGEABLE AND DEMANDING CLIENTS

Clients today have a lot of data at their disposal. Furthermore, they know how to collect, process and interpret this data. It gives them valuable information and allows them to take decisions more quickly and more independently. The consequence of this mass of data is growing competition. This is already the case for retail banking customers and tomorrow it will be the case for a corporate client or institutional investor. Although our client relationships are stable, we truly believe that they're becoming much more fluid. Our clients are operating in a more competitive environment, and so they are challenging us more.

**“New technologies will profoundly transform the corporate and institutional banking model.”**

#### ▶ NEW CLIENT “JOURNEYS”

Our challenge is to serve clients more effectively by ensuring we have the best technology to support our banking expertise. This mix of technology and expertise exists in our current e-commerce platforms, but we need to go further. Our “ecosystems” have to be centred on clients who do not want to buy a banking product, but who want, via digital services, to simplify and optimise their daily business operations. We need to create simple, intuitive and convivial client journeys.

#### ▶ THE LOGIC OF CO-CREATION

Client journeys are created by investing in data, artificial intelligence and blockchains, but also by partnering with FinTechs. Currently, however, the best partners to build the bank of tomorrow with are clients themselves. We're entering into a natural phase of co-creation with clients. This represents a fundamental change in our practices which is motivating for employees and also highly appreciated by clients. ■

## BNP PARIBAS: DRIVING CHANGE



### QUITE SIMPLY DIGITAL

In Turkey, TEB launched CEPTETEB in 2015, a 100% digital bank aimed at customers who are resolutely mobile, autonomous and connected. In order to stand out from the competition, TEB's model was inspired by customers and is based on simple functionalities and interaction with a dedicated team of advisers. It offers innovative banking solutions that include contactless mobile payments, a multi-bank digital wallet, cardless cash withdrawals and a video chat function. In a country where 60% of the population is aged under 35, CEPTETEB has been successful and has attracted more than 190,000 customers in one year.

### FOCUS

## Cross innovation

A year after its launch, BNP Paribas' "Innov&Connect" programme in France is delivering on its promises. Innov&Connect is an accelerated innovation programme designed to bring together start-ups and mid-sized corporates. For the 2015 edition of the programme, some 215 start-ups and 11 mid-sized corporates, each with its own open-innovation project, were selected by BNP Paribas Business Centres across France and L'Atelier BNP Paribas\*. Five teams of mid-sized corporates and start-ups began a process of co-experimentation. Based in BNP Paribas' WAI (We Are Innovation) business accelerator in Paris over a six-month period, the teams benefited from the support of experts from L'Atelier BNP Paribas and the Innovation teams at French Retail Banking. Following the success of the programme, the second round of Innov&Connect was launched in December 2015. Innov&Connect is a key initiative of the "2016 BNP Paribas Entrepreneurs Plan" and will involve 12 new corporate sponsors.

\*L'Atelier BNP Paribas is a prospecting and innovation company which offers consultancy services to clients and to the BNP Paribas Group in the areas of digital transformation.





#### ◀ MY PREMISES IN A CLICK

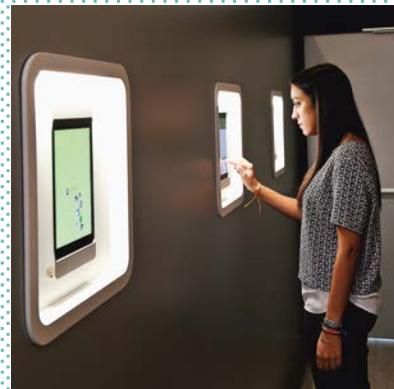
BNP Paribas Real Estate in France launched a new, interactive website of advertisements featuring commercial property such as offices and retail outlets. The website offers users an intuitive and innovative interface. Searches by geolocalisation and property type can be run with a simple click of the mouse and users can refine searches by viewing the local area using interactive maps. A section called "Le Fil de l'immobilier" helps users stay up to date and benefit from BNP Paribas Real Estate's knowledge. The website has been successful, recording a 30% increase in visits compared with 2014 and a 50% rise in new contacts.

#### FOCUS

### Open innovation with fintechs\*

BNP Paribas launched two original initiatives in France based on open innovation and co-construction aimed at helping fintechs\*. French Retail Banking opened its first innovation centre dedicated solely to fintechs. At this 15<sup>th</sup> innovative centre, which is located in Paris, specialist relationship managers who work closely with fintech ecosystems offer start-ups customised banking solutions. The second initiative is a programme aimed at putting start-ups in touch with the bank's business lines—the first of its kind in the banking sector. L'Atelier BNP Paribas' fintech business accelerator aims to develop prototypes for new products and services that will improve services and customer relationships. The bank's business lines today benefit from access to the start-ups selected by L'Atelier BNP Paribas from around the world, and from the possibility of co-innovating on key business challenges or optimising organisational structures. In return, start-ups benefit from personalised support and the credibility of being part of a highly selective programme.

\*Fintech: a start-up operating in the area of financial technology.



### WEALTH MANAGEMENT: ONLINE EXPERTISE

BNP Paribas Wealth Management's new website constitutes a genuine digital ecosystem through which clients can access the highest level of expertise in the bank. Clients can also follow BNP Paribas Wealth Management's investment strategy on social media (and real-time), read posts by experts on the "Expert Voices" blog, and benefit from exclusive research via the "Voice of Wealth" app which was rolled out in October 2015. This innovative, pedagogical approach also enables clients to interact with their private banker via webconferencing or a "Meet the Experts" event.

### HELPING TECH COMPANIES

*Techshare* is a European programme aimed at supporting unlisted European tech companies in financial markets. The goal is to help directors of these fast-growing companies to gain a deeper understanding of the role of financial markets and how they work. In September 2015, thirty innovative companies started a one-year, tailor-made course consisting of three parts: sessions organised on campus by HEC Paris and École Polytechnique; technical workshops led by industry experts; and individual coaching sessions. BNP Paribas is a partner of the programme and led the first workshop on the topic of "Reaching the next step of development through capital markets".

### WE ARE INNOVATION (WAI): BUSINESS ACCELERATORS

Located in the Paris region, two WAI centres (in Massy-Saclay and central Paris) offer more than 3,000 m<sup>2</sup> of floor space and 300 workstations. The WAI centres host start-ups and help mid-sized companies, large corporates and BNP Paribas business lines with their open-innovation projects. The aim is to enable start-ups to benefit from a maximum number of introductions and create value for BNP Paribas clients and business lines.

### PRIVATE BANKING BY JAMES

Is it possible to combine a customised service with the flexibility of digital channels? Yes! *Private Banking by James* offers flexible solutions to BNP Paribas Fortis clients who have the choice of contacting their private banker by telephone, webcam or email, and during extended opening hours.



### FOCUS

## Hello bank! 100% digital, 100% services

Thanks to Hello bank!, Europe's No.1 mobile bank, BNP Paribas has taken its place in the world of online banking. The bank has extended its services in France, Germany, Belgium, Italy, and since 2015, in Austria. The aim is to create a bank that offers customers more comfort, openness and immediacy, and by extension create a more collaborative bank. Hello bank! Belgium launched a platform to interact with customers called *Blue Room*. Members can ask questions, give feedback and share ideas. In addition, existing and prospective customers can lodge a loan request to buy a car or to pay for home renovations via a smartphone or tablet. Hello bank! France organises regular co-creation workshops dubbed *Hello Factory* with customers to think about the bank of the future. In Italy and France, Hello bank! rolled out *Hello play!*, a European platform for music crowdsponsoring. And Hello bank! Austria provides high-street centres where customers can carry out digital banking transactions.

NEARLY

2.4

MILLION

HELLO BANK! CUSTOMERS  
IN 5 COUNTRIES.

### BUYING A HOME IN ONE CLICK

In December 2015 BNP Paribas Fortis launched a new app for house-hunters called *Home on the Spot*. The app immediately tells potential buyers the amount the bank would be prepared to lend them for a mortgage.

### A VIRTUAL ENVIRONMENT PROVIDING EXPERTISE

BNP Paribas Investment Partners invites its retail clients to familiarise themselves with the asset-management world. Using the *Invest Academy* mobile app, anyone can create a virtual investment fund portfolio. With online guidance available, players test their knowledge and compare their performance against a community of users. At the start of 2016, BNP Paribas Fortis invited its private-banking clients to a number of events during which BNP Paribas Investment Partners proposed a new virtual learning journey in the futurist town of *Investment City*, to introduce them to the world of sustainable and responsible investment.



### EXPLORE, TEST, INNOVATE...

In December 2015 L'Atelier BNP Paribas celebrated ten years in the United States. To mark the occasion, it invited six start-ups—whose innovations are likely to influence the world in the next ten years—to take part in a round-table debate on the theme “Are you ready for 2025?”. The US arm of L'Atelier BNP Paribas, based in San Francisco, monitors on a continuing basis the innovation emanating from Silicon Valley and elsewhere in the United States. The goal is to track leading trends in technology and consumer behaviour. In addition to identifying trends, L'Atelier BNP Paribas expanded its consulting activity and now advises BNP Paribas' business lines on their digital and innovation strategies. It was also in this context that Bank of the West partnered with L'Atelier BNP Paribas to create a FinLab\*. The aim is to allow the Group to enter Silicon Valley's ecosystem and facilitate introductions with clients and start-ups in order to test innovative solutions and services for the bank and its clients.

\*FinLab, contraction of “Finance” and “Laboratory”.

### FOCUS

## 1<sup>st</sup> international hackathon and 6 start-ups incubated

In June 2015 BNP Paribas held its first international hackathon, with simultaneous sessions taking place in Paris, Brussels, Istanbul, Rome and San Francisco. The task: find ways to “enhance the customer experience”. This initiative is the latest step in the Group's innovation strategy, which is to combine the agility of experts outside the bank with its own in-house expertise and knowledge of clients. Over two days, some 300 programmers, developers, designers and start-up owners were tasked with contemplating the branch/digital experience, financial literacy, the personalisation of client relationships, and weighing up simplicity versus security. At the end of the competition weekend, 17 out of 58 participating start-ups were selected to go forward to the Digital Bootcamp, a three-month online mentoring phase that enabled participants to develop their projects and benefit from the bank's expertise. In November, a Demo Day was held in Paris to select the six best start-ups based on pitches covering topics including authentication, payments, data centralisation and data analysis. After a final incubation phase of six months, these projects are destined for implementation by BNP Paribas.



### LEASE OFFERS MOBILE, A NEW APPLICATION FOR DISTRIBUTION PARTNERS

BNP Paribas Leasing Solutions launched *Lease Offers Mobile*, an app aimed at distribution partners and new-business providers in the professional-equipment sector. Sales teams can now handle loan requests in real time, even when they are out of the office; using a smartphone, they can simulate a proposal, access a list of product solutions, transmit a loan request and consult past requests. The application has been rolled out in six countries: Germany, Belgium, Spain, France, Italy and the United Kingdom.

### WRISTWATCH BANKING IN VOGUE

In April 2015 BNP Paribas extended the scope of the *Mes Comptes (My Accounts)* app in France to customers with an Apple Watch. The app allows users to view their account details on their wrist device. In Germany, Consorsbank! customers can check their account balance on their connected watch as well as locate the nearest ATM and view information on world markets.

## GO FOR ONBOARD TELEMATICS



### FOCUS

## Arval Active Link

Full-service vehicle leasing is undergoing major change and Arval is accelerating its digital transformation so as to offer clients the means to optimise their fleet management. Arval is staying a step ahead of the market with the launch of *Arval Active Link*, the first integrated, telematics-based solution that enables clients to access detailed information on each vehicle and on driver behaviour, in addition to a wide range of proactive services.

### MORE PERSONALISED SERVICES

The *Data Lab* opened in 2015 by BNP Paribas Cardif is more than a technology experience. Rather it is a new, collaborative way of processing data. The goal is to strengthen the quality and pertinence of service solutions.



## FOCUS

## Innovative payment solutions

BNP Paribas pursued its digital and innovation strategy by expanding its range of payment solutions. In Italy, *YouPass*, a mobile payment service, saw a new service dubbed *YouPass Transfer*. BNL and Hello bank! customers can now transfer money as swiftly as an SMS by selecting a recipient from their smartphone contacts. With *YouPass Wallet*, customers pay for purchases online in total security without the need to key in personal data. Finally, with *YouPass Proximity*, customers whose smartphones are equipped with NFC\* technology can now pay at in-store terminals. In Luxembourg, *Digicash*, the mobile-payment solution developed by BGL BNP Paribas, allows customers to settle bills while adding points to the *Premium Benefits* loyalty programme.

\*Near Field Communication.



### 100% DIGITAL BANKING TRANSACTIONS

**Bank of the West has accelerated its digital transformation and outpaced its competitors in the adoption of mobile technology. To better serve its high-net-worth clients and to be more responsive, the bank decided to shift its (100% paper) administration management to a digital platform. From their mobile phones, clients can open an account, sign documents electronically, manage portfolios and communicate easily with their advisers.**



### MORE CONNECTED INSURANCE

*InsuranceUp* is the first Italian website dedicated to digital innovation and entrepreneurship in the insurance industry. It went live in July 2015 and aims to become the benchmark in this domain. The site was launched by BNP Paribas Cardif and EconomyUp in collaboration with the business incubator at Politecnico di Milano (Milan's engineering school) and it hosted online the second edition of the Cardif Open F@b competition which was dedicated to the internet of things\*. The ten most innovative projects for client relationships and new services will receive support from BNP Paribas Cardif.

\*Connected objects.



### DECIPHERING TRENDS

Following the merger with the LaSer group in 2015, BNP Paribas Personal Finance reinforced its ability to track and analyse consumer trends. Its *Observatoires Cetelem*, which analyse consumer behaviour around the world, are now complemented by *L'Echangeur* and *L'Œil* which aim to predict future trends. *L'Echangeur* by BNP Paribas Personal Finance is a unit that decodes disruptive technology in retail. Every year it publishes a report on consumer trends. The 2015 report describes a consumer who moves from being a "consumerist" to an "integr'actor" or responsible consumer who encourages others to be responsible, too. *L'Œil* by BNP Paribas Personal Finance has a worldwide remit and identifies and analyses the micro-facts in the consumer world that are likely to become major trends.

### INCREASING ACCESS FOR THE HEARING-IMPAIRED

Following conclusive tests, BNL became the first Italian bank to adopt the telephone service developed by Pedius for hearing-impaired customers. The mobile app enables these customers to access the bank's services on a remote basis and interact with staff in the customer-relationship centre thanks to a recognition and voice-synthesis system.



### FOCUS

## The blockchain opens up new horizons

The blockchain is a disruptive, open and free technology. Its best-known use is to circulate bitcoins. The blockchain is a decentralised system which registers, stores and validates digital data based on peer-to-peer validation and encryption mechanisms. All members of the system have a copy of the data on all historical transactions. Each transaction is validated by a consensus of participants. For BNP Paribas, this new way of managing and authenticating transactions is an opportunity to imagine radically innovative services and to enhance the customer experience and efficiency of the bank's services. BNP Paribas underscored its commitment in this domain by taking a stake in Digital Asset Holdings, a fintech start-up specialising in blockchain technology. BNP Paribas also joined the consortium of banks formed around the R3 start-up which looks at how the blockchain could be applied to the financial sector.

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